

ANNUAL BUDGET OF Hessequa Municipality



2019/20 TO 2021/22 MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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Abbreviations and Acronyms

AMR	Automated Meter Reading	MBRR	Municipal Budget and Reporting Regulations
ASGISA	Accelerated and Shared Growth Initiative	MEC	Member of the Executive Committee
BCX	Business Connexion	MFMA	Municipal Financial Management Act
BPC	Budget Planning Committee	MIG	Municipal Infrastructure Grant
CBD	Central Business District	MMC	Member of Mayoral Committee
CFO	Chief Financial Officer	MPRA	Municipal Properties Rates Act
Cllr	Councillor	MSA	Municipal Systems Act
CM	City Manager	mSCOA	Municipal Standard Chartered of Account
CPI	Consumer Price Index	MTEF	Medium-term Expenditure Framework
CRR	Capital Replacement Reserve	MTREF	Medium-term Revenue and Expenditure Framework
DBSA	Development Bank of South Africa		
DoRA	Division of Revenue Act	NERSA	National Electricity Regulator South Africa
DPLG	Department Provincial of Local Government	NGO	Non-Governmental organisations
DWA	Department of Water Affairs	NKPIs	National Key Performance Indicators
EE	Employment Equity	NT	National Treasury
EEDSM	Energy Efficiency Demand Side Management	NRW	Non-Revenue Water
EM	Executive Mayor	OHS	Occupational Health and Safety
EPWP	Expanded Public Works Programme	OP	Operational Plan
FBS	Free basic services	PBO	Public Benefit Organisations
GAMAP	Generally Accepted Municipal Accounting Practice	PDO's	Pre-Determined Objectives
		PHC	Provincial Health Care
GDP	Gross domestic product	PMS	Performance Management System
GDS	Gauteng Growth and Development Strategy	PPE	Property Plant and Equipment
GFS	Government Financial Statistics	PPP	Public Private Partnership
GRAP	Generally Recognised Accounting Practice	PSP	Public Service Purposes
HR	Human Resources	PTIS	Public Transport Infrastructure System
HSRC	Human Science Research Council	RG	Restructuring Grant
IDP	Integrated Development Strategy	RSC	Regional Services Council
IGR	Inter-Governmental Relations	SALGA	South African Local Government Association
IT	Information Technology	SAPS	South African Police Service
kℓ	kilolitre	SCM	Supply Chain Management
km	kilometre	SDBIP	Service Delivery Budget Implementation Plan
KPA	Key Performance Area	SMME	Small Micro and Medium Enterprises
KPI	Key Performance Indicator	T.O.U	Time of use
kWh	kilowatt per hour	VAT	Value Added Tax
ℓ	litre	WCWDM	Water Conservation and Waste Demand Management
LED	Local Economic Development		
LGMTEC	Local Government Technical Evaluation Committee		
	LTFP Long Term Financial Plan		

PART 1. ANNUAL BUDGET

1.1 MAYORS SPEECH

BUDGET SPEECH BY THE MAYOR FOR THE MTREF PERIOD 2019/20

Honourable Speaker
Members of the Executive Mayoral Committee
Councillors
Municipal Manager and Directors
Members of the public
Media

Honourable Speaker

In terms of the Municipal Finance Management Act (MFMA) the budget must be tabled to the public for approval. The MFMA is geared to help municipalities with a sustainable financial framework, and to cultivate sound financial practices. It goads the municipality on towards better service delivery. This legislation ensures that the public is fully informed about how the expected capital and operating budgets will be spent in any budget year.



Honourable Speaker

It is indeed a privilege to present the draft budget for 2019/2020. With limited resources at our disposal we have endeavoured to improve the lives of all Hessequa inhabitants. In Hessequa today, 98% of households have services at their disposal which improves the lives of these inhabitants. We strive on a daily basis to improve on this.

Although the municipality is not a profitmaking organisation, financial management must be based on sound principles. With escalating inflation we cannot do anything else to avoid increasing the cost of services. The economy is indeed tough. This is therefore the reason why we have to think more creatively and productively to keep costs within limits. There were two rounds of public participation processes for the compilation of this draft budget.

The upper limit for indigent help for category A has been increased to R3,500, and category B to R4,000. With this, more indigent households throughout the municipality are helped to afford basic services.

Water stability for areas such as Witsand has been ensured with the erection of a desalination plant. The cost of this plant was financed by the French and Provincial governments. The precarious shortage of water normally experienced during December months in Witsand has now been addressed. The dependence on external water sources has also diminished through this.

An amount of R22 million will be spent on the upgrading of sewerage networks in Still Bay and Riversdale. An amount of R21 million has been budgeted for electricity reticulation throughout Hessequa such as street lights, telemetric systems, substations, underground power lines and cables. R11 million has been earmarked for the upgrading of roads in 2019/2020.

One is inclined to talk about big projects that are planned. There are however literally hundreds of smaller capital projects which improve the lives of Hessequa inhabitants on a daily basis. In the ensuing financial year, emphasis will be placed on information technology so that we can keep abreast with changing times

All selling prices of electricity are approved by NERSA before tariffs can be implemented. A master plan has been compiled to plan for repairs and maintenance as well as new developments.

Employee related costs are currently 39% of the budget. Salary increases are governed by collective agreements and are usually in force for 3 years. The Draft budget provide for a 7% increase for over the MTREF period.

The aim of the municipality is to bring all sport facilities in the Hessequa area to the same standard. Riversdale, Heidelberg and Albertinia have adequate facilities that will soon be brought to an acceptable standard. The sport communities of Slangrivier and Melkhoutfontein will benefit in the next three years with various upgrading projects of sport facilities. These upgrading projects will be funded by two sources which is the Municipal Infrastructure Grant (MIG) and own funds.

We learnt many lessons with the fires that occurred in the Hessequa area during the past few years. We heard the need of the inhabitants and have made an investment in the fire fighting service. Once



again we have budgeted for a fire fighting engine. It is Councils priority to create a fully fledged fire fighting service. With this, the reaction time will be as short as possible.

Allow me the opportunity to thank the dedicated personnel for their excellent service who have led the municipality in these difficult times to achieve the successes that they did.

To the Speaker, Executive Deputy Mayor, my MAYCO and Councillors my sincere appreciation for the special manner in which you have contributed to the successes of the municipality.

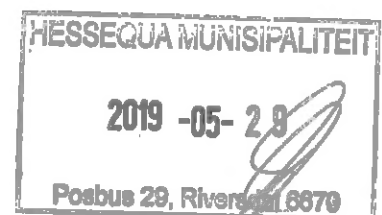
A 5th clean audit outcome is proof of sound financial management by all personnel as well as the entire council.

I conclude with these words from President Nelson Mandela:

"A winner is a dreamer who never gives up."

I thank you

Executive Mayor Grant Riddles
Hessequa Municipality



1.2 COUNCIL RESOLUTIONS

The MFMA stipulates that the Mayor must table the Annual Budget at a council meeting at least 30 days before the start of the budget year, and the Mayor must take all reasonable steps to ensure that the municipality approves its annual budget before the start of the budget year.

RESOLVED

1. That Council approves the annual budget of the municipality for the financial year 2019/20 and indicative for the two projected outer years, 2020/21 and 2021/22, and the multi-year and single year capital appropriations as set out in the following schedules, after consideration of all public comments:
 - 1.1 Budgeted Financial Performance (revenue and expenditure by standard classification) reflected in Table A1 pg. 61 and Table A4 pg. 65.
 - 1.2 Budgeted Financial Performance (revenue and expenditure by municipal vote) as reflected in Table A2 pg. 63.
 - 1.3 Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source as reflected in table A5 pg 67.
2. That Council approves the property rates tariffs reflected in the 2019/20 tariff list (Annexure A) and any other municipal tax reflected in the 2019/20 tariff list that will be imposed for the budget year 2019/20.
3. That Council approves the tariffs and charges, subsidies and discounts as reflected in the tariff list (Annexure A) for the budget year 2019/20.
4. That Council approves the budget related policies reflected in Annexure B for the budget year 2019/20.



1.3 EXECUTIVE SUMMARY

National Treasury requires municipalities to continue to explore appropriate ways of structuring the tariffs for utility services, to encourage more efficient use of these services, and to generate resources required for maintenance, renewal and expansion of infrastructure. They also encourage municipalities to keep increases in rates, tariffs and other charges at levels that reflect appropriate balance between the interest of poor households, other customers and ensuring the financial sustainability of the municipality.

The recent technical recession, high unemployment, slow economic growth, weakening of the currency and rising global interest rates affects the country and a recovery plan must be implemented in order to stimulate the economy.

Local government has a vital role to play in turning around the economy. Fiscal prudence cannot be overemphasised, renewed revenue management, improvement of governance and financial management to support service delivery, funded budgets and implementation of mSCOA must be the responds to the stimulus plan by Government.

The budget was made possible through consultation with the local community, the relevant government departments and the internal departments of the Municipality to ensure that the priorities are properly aligned and addressed. The Municipality's business and service delivery priorities were again reviewed as part of this year's planning and budget process. Yet again expenditures on non-core and "nice-to-have" items were critically reviewed.

National Treasury's MFMA Circular No's 48, 51, 54, 55, 66, 67, 70, 72, 74, 75, 78, 79, 80, 82, 85, 86, 89, 91, 93 and 94 were used where necessary to guide the compilation of the 2019/20 MTREF.

The local economy still has a very low momentum as a result of the disruption of the world economy, domestic strike activity and moderating household consumption. This had a direct impact in the compilation of the budget. Trends in income growth statistics are still very low, indigent and poor households are growing.

Municipal Councils must ensure that funded budgets are adopted which means that expenditure must be contained within realistic revenue projections. The Consumer Price Index (CPI) is forecasted to be between 3 to 6% target band and municipalities are required to justify all increases in excess of the target for 2019/20.

The main challenges experienced during the compilation of the 2019/20 MTREF can be summarized as follows

- Ensure a funded budget
- Difficulties in the national and local economy.
- Salary increases for staff exceed consumer inflation – 6,5% increase budgeted.
- Ageing and increasing costs of maintenance of water, roads, sewerage and electricity infrastructure.
- Increased cost of bulk water (due to tariff increases from Overberg Water – 8,4% and Korente-Vetteriver Irrigation Board – 8%), which is placing upward pressure on service tariffs to residents.
- Affordability of capital.
- Non-cash items such as provision for landfill sites and retirement benefits puts pressure on the expenditure budget and cannot fully be recovered from tariffs.

Consolidated Overview of the 2019/20 MTREF

Description	2019/20 Medium Term Revenue & Expenditure			
	Adj. Budget 2018/19	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22
Total Operating Revenue	459 898 999	481 779 381	528 607 009	574 662 009
Total Operating Expenditure	478 741 845	497 391 211	554 657 962	603 684 961
Surplus/(Deficit)	-18 842 846	-15 611 830	-26 050 953	-29 022 952
Capital Transfers & Subsidies	30 025 743	16 243 200	15 194 350	16 038 800
Surplus/(Deficit) after capital	11 182 897	631 370	-10 856 603	-12 984 152
Capital Expenditure	92 477 157	110 408 968	77 943 349	68 733 255

Total operating revenue has increased by 4.76% or R21,880 million for the 2019/20 financial year when compared to the 2018/19 adjustment budget. For the two outer years, operational revenue will increase by 9.72% in 2020/21 and 8.71% in 2021/22.

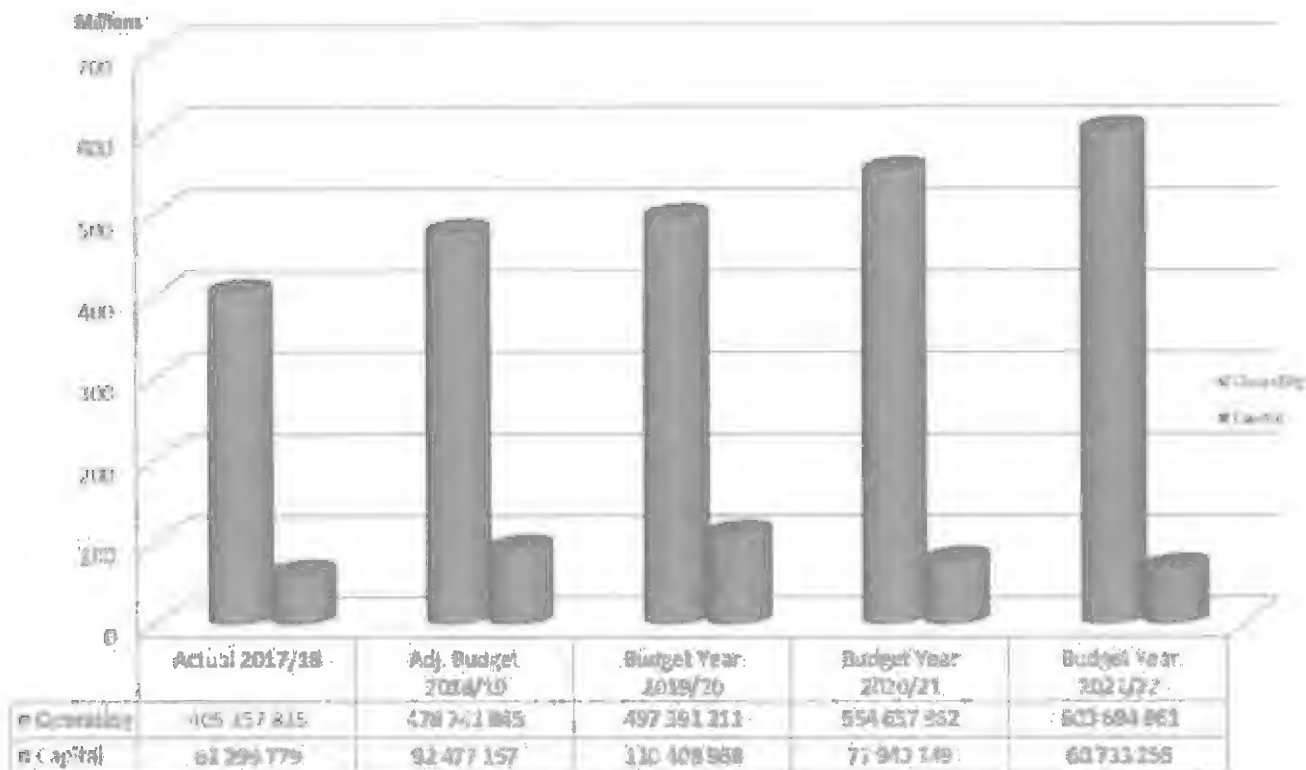
Total operating expenditure for the 2019/20 financial year shows an 3.90% or R18,649 million increase when compared to the 2018/19 adjustment budget and increases by 11.51% and 8.84% for each of the respective outer years of the MTREF.

The total 2019/20 budget amounts to R607,800 million. It consists of a capital budget of R110,409 million or 18.2% of the total budget and an operating budget of R497,391 million.

The graph below shows the operating expenditure- and capital budget (actual) for the 2017/18 financial year, the revised budget for 2018/19, and proposed budgets for the 2019/20 to 2021/22 financial years:



Operating & Capital Budget



1.4 OVERVIEW ON MFMA CIRCULARS

1.4.1 MFMA Circular No 93

The purpose of the annual budget circular is to guide municipalities with their compilation of the 2019/20 Medium Term Revenue and Expenditure Framework (MTREF), in particular to ensure that funded budgets are adopted by municipal Councils. This means that expenditure must be contained within realistic revenue projections.

1. The South African economy at a crossroads

Given the current economic climate the country faces, government is confronted by difficult economic and fiscal challenges over the medium term. South Africa needs to choose a path that leads to faster and more inclusive economic growth and strengthens private and public sector investment. This should also stabilise and reduce the national debt, as South Africa cannot afford to borrow at the rate we are currently borrowing at.

To promote a return to faster growth and job creation, the President announced an economic stimulus and recovery plan. The initiative focuses on five interventions:

- Implementing growth-enhancing economic reforms;
- Reprioritising public spending to support economic growth and job creation;
- Establishing an infrastructure fund;
- Addressing urgent matters in education and health; and
- Investing in municipal social infrastructure improvement.

2. Key focus areas for the 2019/20 budget process

2.1 Local government conditional grants and additional allocations

- The largest transfer to municipalities is the local government equitable share, which grows by 9.9 per cent in 2019/20, 9.7 per cent in 2020/21 and 8.6 per cent in 2021/22. These above-inflation increases are due to expected growth in household numbers, and higher bulk water and electricity costs
- The widespread decline in the quality and performance of essential municipal infrastructure significantly constrains the potential for Inclusive economic growth. Municipalities should prioritise the maintenance and where necessary the refurbishment of essential municipal infrastructure.

2.2 Tabling of funded budgets

- Adopting a funded budget has become more critical now than before as it has direct bearing on the financial sustainability of the institution.
- No municipality will adopt an unfunded budget in the future. There are cases that may warrant a plan as this may not be achievable over one year. Such municipalities must, together with their 2019/20 MTREF budget, table a plan in a municipal council on how and by when the budget will improve from an unfunded to a funded position.

2.4 Municipal Standard Chart of Accounts (mSCOA)

- Release of Version 6.3 of the Chart - Version 6.3 of the chart will be effective from 2019/20 and must be used to compile the 2019/20 MTREF
- Amendments of adopted budget errors during the adjustments budget
 - Municipalities are still not able to align mSCOA original budget data string to the original budget adopted by municipal council.
 - Some municipalities prepared their tabled budgets in the financial system but made changes to it during community consultation and council meeting(s). These changes were effected to the Schedule A that served before Council but never made on the financial system. Hence, the municipality started transacting against the tabled budget on the system instead of the adopted budget.
 - the budget must be approved and locked on the financial system prior to the municipality transacting against it on the financial system.
 - Errors in the budget can only be corrected during the adjustments budget process. Municipalities should therefore ensure that their adjusted budget data strings align to Schedule B adopted by municipal council.
 - National and Provincial Treasuries will undertake a verification process on the adjusted budgets in relation to the data strings. Municipalities are advised to submit the draft adjusted budget data strings and Schedule B in advance for verification purposes to ensure that aligned documents are adopted by municipal council by 28 February 2019.
- Changing of the Core Financial System

Prior to changing their core financial systems:-

 1. Municipality must conduct an ICT due diligence of all the existing ICT system(s).
 2. Once this ICT Due Diligence has been completed, the municipality's mSCOA Project Steering Committee (chaired by the Accounting Officer) must:
 - a) Assess whether existing system(s) as a package, meets the systems comply with the functionality requirements for its category and 15 business processes required in terms of mSCOA. This should be the main consideration in the decision on whether a new financial system is required;
 - b) Consider the cost of any additional functionality the municipality will have to procure from its existing package of service provider(s) and the affordability thereof. Importantly, if a municipality did not budget to purchase or upgrade

- the budget adopted by Council, then the purchase will have to be deferred to the next financial year to avoid irregular expenditure;
- c) Compare the total cost of its existing 'package of system(s)', including the cost for any additional functionality with the other available service offerings for its category;
 - d) Consider the penalties and reasons for contract termination in any of its contracts with existing service providers.
3. The project steering committee must document its decision and recommendation(s) on the way forward, clearly setting-out its findings.
 4. Once the mSCOA project steering committee has made its decision and recommendations, the municipality must solicit the comments of National and Provincial Treasury. A detailed motivation on the need to change should be provided to National and Provincial Treasury, the Municipal Manager and Council.
 5. Once the municipality has received the comments of National and Provincial Treasury, the mSCOA Project Steering Committee and Municipal Manager should consider such comments and prepare a recommendation to Municipal Council in this regard.
 6. The municipal manager must submit a copy of the municipal council's decision to the National and Provincial Treasury within five (5) working days after the meeting during which the Municipal Council has made the decision in this regard.
 7. **The municipality should then follow its own tender processes to procure a financial system on the open market until such time that a new transversal tender for the procurement of integrated municipal financial and internal control systems are in place.** Thereafter, municipalities may request permission from National Treasury's Office of the Chief Procurement Officer to use the transversal tender to procure a financial system.
 8. The municipality should ensure that the Service Level Agreement entered into with the system provider provides for specific and realistic milestones and include penalties and termination clauses for failing to meet milestones. In addition, municipalities should implement proper contract management and exercising tight control over contractual obligations by system providers.

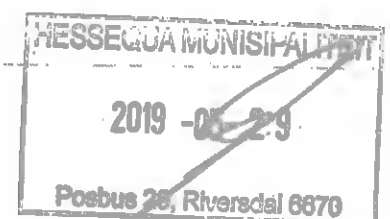
National Treasury has also secured funding to conduct independent audits on all financial systems to determine to what extent these systems comply with the functionality requirements and 15 business processes required in terms of mSCOA. Until these audits have been concluded and the results have been released, municipalities should exercise caution when changing their financial system to avoid purchasing a system that do not comply with the necessary mSCOA functionality requirements.

3 The revenue budget

Municipalities must focus on collecting revenues owed to them, and eliminate wasteful and non-core spending and budgets will be scrutinized to ensure that municipalities adequately provide to service their debt obligations. Municipalities must ensure that expenditure is limited to the maximum revenue collected and not spend on money that they do not have.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between affordability to poorer households and other customers while ensuring the financial sustainability of the municipality.

Municipalities are required to **justify all increases in excess of the projected inflation target for 2019/20** in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups. Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3 to 6 per cent target band.



3.1 Maximizing the revenue generation of the municipal revenue base

- Municipalities fund their 2019/20 MTREF budgets from realistically anticipated revenues to be collected.
- It is critical to compare the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are realistic. A further test would be to reconcile this with the deeds office registry. This reconciliation should be undertaken quarterly.
- Municipalities are requested to submit the following information to the National Treasury:-
 - Copy of the approved current General Valuation Roll of the municipality;
 - Copy of the approved Supplementary Valuation Roll of the municipality;
 - An extract from the financial system showing the property rates information;
 - Detail of reconciliation between the GVR and financial system illustrating the variances;
 - Proposed process to rectify the variances.
- Municipalities are also encouraged to revise their Local Economic Development strategies to have a targeted approach to alleviate the situation of the indigents as part of poverty alleviation.

3.2 Eskom bulk tariff increases

- Municipalities to examine the cost structure of providing electricity services and to apply to NERSA for electricity tariff increases that reflect the total cost of providing the service and to apply to NERSA for electricity tariff increases that reflect the total cost of providing the service so that they work towards achieving fully cost-reflective tariffs that will help them achieve financial sustainability.

3.3 Water tariff increases

- Important to improve demand management, infrastructure maintenance, loss management, meter reading and tariff setting in respect of water services.
- Ensure that tariffs charged are able to cover for the cost of bulk purchases, ongoing operations as well as provision for future infrastructure.

4 Funding choices and Budgeting issues

As a result of the economic landscape and weak tariff setting, municipalities are under pressure to generate additional revenue. The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2019/20 MTREF budgets:

- improving the effectiveness of revenue management processes and procedures;
- paying special attention to cost containment measures by, amongst other things, controlling unnecessary spending on nice-to-have items and non-essential activities as was highlighted in MFMA Circular No. 82;
- ensuring value for money through the procurement process;
- the affordability of providing free basic services to all households;
- curbing consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

4.1 Employee related costs

The *Salary and Wage Collective Agreement* through the South African Local Government Bargaining Council Circular No. 6 of 2018 should be used when budgeting for employee related costs for the 2019 MTREF.

4.2 Remuneration of Councillors

Budget in accordance with the gazette on Remuneration of Public Office Bearers.

4.3 Budget for Trade Payables on Table SA3

An analysis was undertaken of the note in the Annual Financial Statements relating to Trade Payables from Exchange Transactions and the analysis revealed that this liability includes creditors which do not have a direct impact on the ratio. The inclusion of such liabilities as "Trade and Other-Payables from Exchange Transactions" under "Working Capital – Creditors due" on Table A8 has an impact on the funding assessment as they are considered when determining whether the budget is funded as per the Municipal Budget and Reporting Regulations schedules.

Table A8 is separated into three disclosures which are:

- Unspent Grants – linked by a formula from Table SA3;
- Working Capital – Creditors due - linked by a formula from Table SA3 that currently includes all Trade and Other-Payables from Exchange Transactions as explained above;
- Statutory Requirements – This refers to VAT and taxation and is not linked by a formula to any table as it may include VAT and taxation receivable included under Other Debtors in Table A6 and/or VAT and taxation payable included in Table SA3.

Table SA3 has been amended to separate Trade and Other Creditors into two separate lines. The revised disclosure will be as follows:

- Trade payables - (should be "true creditors" only);
- Other creditors – (should include all the above liabilities, except VAT that is disclosed separately);
- Unspent conditional transfers; and
- VAT.

"Trade Payables" and "Other Creditors" will be added together for the purpose of calculating "Creditors Due" in row 31 under the working capital calculation on Table A8.

4.4 Budgeting for Inventory: Water

Bulk water purchases meet the criteria of the definition of inventory as per GRAP 12, paragraph 07. However, to ensure compliance to GRAP 12 the necessary amendments must be effected to the Schedule A tables and the chart.

National Treasury considered the impact that the changes to the Schedule A tables will have on municipalities, as a result it was resolved that they are significant and should not be implemented in the 2019/20 MTREF.

The system input volume (acquisitions) of water stock includes the following:

- Bulk purchases - Supply from bulk or other water service providers recognised by the amount paid;
- Water purified - Potable supply from Water Treatment Works. Value is to be determined by calculating primary and secondary cost components; and
- Natural sources - Supply from boreholes, springs, fountains if not supplied through the water treatment plant. Value is to be determined by calculating primary and secondary cost components.

It is therefore evident that the total input volume of water as it relates to water purified and water from natural sources should include both primary and secondary cost components. The allocation of secondary cost to the input volume of water will necessitate the utilisation of the Costing Segment of the mSCOA chart.

Municipalities are cautioned that the Schedule A for the 2020/21 MTREF will be amended in line with the prescripts of GRAP12 and mSCOA in relation to the treatment of water bulk purchases as inventory.

6. **Preparation of Municipal Budgets for 2019/20 MTREF**

6.1 **Schedule A1 version to be used for the 2019/20 MTREF**

National Treasury has released Version 6.3 of the Schedule A1 which is aligned to Version 6.3 of the mSCOA classification framework.

ALL municipalities **MUST** use this version for the preparation of their 2019/20 MTREF budget.

- It is imperative that all municipalities prepare their 2019/20 MTREF budgets in their financial systems and that the Schedule A1 be produced directly from their financial system.
- All financial systems have a budget module functionality to assist and prepare budgets and to generate the prescribed Schedule A1 directly from the financial system.
- Municipalities **must** start early enough to capture their tabled budget (and later the adopted budget) in the budget module provided and **must** ensure that they produce their Schedule A1 directly out of the budget module.
- To promote this approach, from the **2020/21 MTREF** the National Treasury will only accept a Schedule A1 in PDF format, containing ALL sheets as prescribed and with each worksheet displaying an embedded system stamp to certify that it has been produced directly from the system.
- For purposes of collecting additional data which we previously did using the Schedule A1 in Excel, a prescribed data string containing the data must be populated and uploaded by each municipality.

7. **Budget process and submissions for the 2019/20 MTREF**

7.1 **Submitting budget documentation and schedules for 2019/20 MTREF**

Municipality must submit:

- The budget documentation as set out in Schedule A (version 6.3) of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and ALL the supporting tables (SA1 – SA38) in PDF format with stamp that will confirm production directly out of the financial system;
- The draft service delivery and budget implementation plan in both printed and electronic format;
- The draft integrated development plan;
- The council resolution;
- Signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations;

7.2 **Retirement of the Budget reform returns (Appendix B)**

From 2019/20 onwards, municipalities will no longer be required to continue with the use of the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database for publication purposes. The National Treasury will use only the mSCOA data strings required for submission as prescribed and all publications will use the data collected from the mSCOA data strings.

This place the responsibility on each municipality to ensure that:

1. Budgets are accurately locked into the financial system;
2. Each transaction is accurately recorded on a daily base;
3. Data collected from sub-systems is accurately represented in the General Ledger (GL);
4. At the end of the reporting period, all reconciliations are done, sub-systems are in balance and the Municipal Manager and CFO agrees with the figures as presented in the Schedule C and other management reports or dashboards;
5. The reporting period is **CLOSED** for further transactions; and
6. The data string for the period is produced directly out of the financial system and uploaded using the LG Upload Portal.

NOTE: Municipalities must conclude all reporting for 2018/19 up to restated audit outcomes on the Appendix B (old electronic returns) to lgdatabase@treasury.gov.za before we can retire the returns.

7.5 Publication of budgets on municipal websites

- Publish tabled budgets, adopted budgets and other relevant information on the

1.4.2 MFMA Circular No 94

This budget circular is a follow-up to the one issued on 07 December 2018 (no. 93) and it complements the many other circulars that have been issued previously. It guides municipalities with their preparation of the 2019/20 Medium Term Revenue and Expenditure Framework (MTREF).

1. The South African economy and Inflation targets

The economic and revenue outlook has deteriorated since the October 2018 Medium Term Budget Policy Statement (MTBPS). Funding pressures from state-owned companies have increased and require government financial support.

These factors, alongside continued high unemployment and slow growth will continue to exert pressure on municipal revenue generation and collection levels hence a conservative approach is advised for municipal revenue projections and municipalities will have to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures. The macro-economic forecasts for Consumer Price Inflation (CPI) is estimated at 5,2% for 2019/20.

2. Key focus areas for the 2019/20 municipal budget process

2.4 Borrowing for capital infrastructure

Borrowing proceeds must be used to fund current and future capital expenditure, and may not be attributed to expenditures in previous years.

PLEASE NOTE that the sentence contained on MFMA Circular No. 89 stating that "The incurring of the expenditure against a different source of finance that was approved will be regarded as unauthorised expenditure" has been revoked.

3. The revenue budget

3.1 Eskom bulk tariff increases

NERSA will shortly publish their "Municipal Tariff Guideline Increase, Benchmarks and Proposed Timelines for Municipal Tariff Approval Process for the 2019/20 financial year".

The guideline includes an update to the average cost structure used to determine the municipal tariff increase. It will set out proposed timeframes for the approval of municipal tariffs.

Municipalities should also include details of their revenue growth assumptions for the different service charges in the budget narrative.

4. Conditional Grant Transfers to Municipalities

4.1 Criteria for the rollover of conditional grant funds

Conditional grants which are not spent at the end of the municipal financial year must revert to the National Revenue Fund, unless the receiving officer proves to National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When applying to retain unspent conditional allocations, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer must be addressed to the **National Treasury** requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2018 DoRA;
 2. List of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated and spent per project;
 3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):
 - a) Proof that the project tender was published and the period for tender submissions closed before 31 March;
 - b) Proof that a contractor or service provider was appointed for delivery of the project before 31 March; or
 - c) Proof of a project tender, appointment of contractor or service provider for delivery of service before 30 June in cases where additional funding was allocated during the course of the final year of the project;
 - d) Incorporation of the Appropriation Statement;
 - e) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2019.
 4. A progress report on the status of each project's implementation that includes an attached, legible implementation plan;
 5. Value of committed project funding, and the conditional allocation from the funding source;
 6. Reasons why the grants were not fully spent during the year of original allocation per the DoRA;
 7. Municipalities must not include previous year's unspent conditional grants as a rollover request. Rollover of rollovers will not be considered;
 8. An indication of the time-period within which the funds are to be spent if the roll over is approved; and
 9. Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.
- No rollover requests will be considered for municipalities with vacant or acting Chief Financial Officers and Municipal Managers for a period exceeding 6 months from the date of vacancy.***
- If any of the above information is not provided or the application is received by National Treasury after 31 August 2019, the application will be declined.**

In addition, National Treasury will also consider the following information when assessing rollover applications; and reserves the right to decline an application should there be non-performance by the municipality in any of these areas:

1. Compliance with the in-year reporting requirements in terms of sections 71 and 72 of the MFMA and section 12 of the 2018 DoRA, **including the municipal manager and chief financial officer signing-off on the Information sent to National Treasury;**
2. Submission of the pre-audited Annual Financial Statements information to National Treasury by 31 August 2019;
3. Accurate disclosure of grant performance in the 2018/19 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
4. Cash available in the bank (net position including short term investments) as at 30 June 2019 is in line with the cash flow statements to finance the roll-over request. If the full amount that is requested for roll over is not entirely cash backed, such a roll over will not be approved. National Treasury will not approve portions of roll over requests.

It should be noted that under no circumstances will the National Treasury consider requests to roll-over:

1. The entirety of any allocation to the municipality, as there should be a minimum spend of 50 per cent of the allocation per program;
2. Funding from the same grant for the third consecutive time;

3. Funding for projects constituted through Regulation 32 of the Municipal Supply Chain Management Regulations (Gazette No.27636). Projects linked to additional funding and disasters are exempted; and
4. Funding where there is evidence that the roll over application is linked to invoices that were issued within the last 30 days of the municipal financial year end.

4.2 Unspent conditional grant funds for 2018/19

In addition to the previous MFMA Circulars, the following practical arrangements will apply to ensure the return of unspent conditional grants:

- Step 1:** Must submit their June 2019 expenditure reports according to section 71 reflecting all accrued expenditure on conditional grants and further ensure that expenditure reported to both National Treasury and national transferring officers reconcile.
- Step 2:** A municipality must determine the portion of each national conditional grant allocation that remained unspent as at 30 June 2019. These amounts MUST exclude all interest earned on conditional grants, retentions and VAT related to conditional grant spending that has been reclaimed from SARS, which must be disclosed separately.
- Step 3:** If the receiving officer wants to motivate the unspent funds are committed to identifiable projects, the roll over application pack must be submitted to National Treasury by 31 August 2019.
- Step 4:** National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on criteria outlined above by 22 October 2019 or whether it will agree to any alternative payment arrangement or schedules.
- Step 5:** National Treasury will communicate the unspent conditional grants amount by 05 November 2019. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund by 18 November 2019.
- Step 6:** Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 18 November 2019, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 02 December 2019 equitable share allocation.

5. The Municipal Budget and Reporting Regulations

5.1 Tabling of budget documents

The slow spending of capital budgets by most municipalities is a national concern as it has a negative impact on service delivery. In most cases it is a direct result of poor planning by municipalities. Municipalities are required to table the following supporting documents to Council, as part of the budget pack, when they table their budgets by 29 March 2019:

- 1) Service Delivery and Budget Implementation Plan (SDBIP); and
- 2) Procurement Plan.

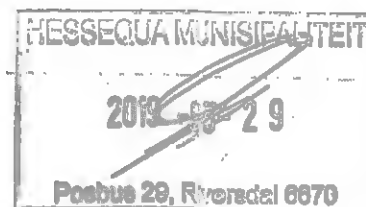
5.3 Schedule A - version to be used for the 2019/20 MTREF

ALL municipalities MUST use Version 6.3 of the Schedule A1, which is aligned to Version 6.3 of the mSCOA classification framework for the preparation of their 2019/20 MTREF budget.

6. Municipal Chart of Accounts (mSCOA)

6.1 Virement in an mSCOA environment

Municipalities should have aligned their virement policies to mSCOA. mSCOA provides a uniform and standardised financial transaction classification framework to transact in and record its transactions using seven (7) segments. Six of these mSCOA segments are compulsory.



6.2 mSCOA training

The National Treasury has developed mSCOA training materials on the fundamentals and reporting requirements of mSCOA. Officials from National and Provincial Treasuries and Preferred Trainers from CIGFARO have been trained to provide training in this regard. This training is **unaccredited**.

7. Budget process and submissions for the 2019/20 MTREF

7.1 Budgeting for the audited years on Schedule A (mSCOA)

According to international learning practices, it is appropriate to reclassify historical information in accordance with the changes that occur in the Standard Chart of Accounts. Municipalities must capture the reclassified audit outcomes for 2015/16 to 2017/18 in version 6.3 of the Schedule A when compiling 2019/20 MTREF budgets.

7.3 Retirement of the Budget reform returns (Appendix B)

From 2019/20 onwards, municipalities will no longer be required to use of the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Database. National Treasury will use only mSCOA data strings required for submission as prescribed and all publications will use the data collected from the mSCOA data strings.

This place the responsibility on each municipality to ensure that:

1. Budgets are accurately locked into the financial system;
2. Each transaction is accurately recorded on a daily base;
3. Data collected from sub-systems is accurately represented in the General Ledger (GL);
4. At the end of the reporting period, all reconciliations are done, sub-systems are in balance and the Municipal Manager and CFO agrees with the figures as presented in the Schedule C and other management reports or dashboards;
5. The reporting period is **CLOSED** for further transactions;
6. The data string for the period is produced directly out of the financial system and uploaded using the LG Upload Portal.

NOTE: Municipalities must conclude all reporting for 2018/19 up to restated audit outcomes on the Appendix B (old electronic returns) to lgdatabase@treasury.gov.za before we can retire the returns.

7.6 The process to be followed to issue version 6.4 of the mSCOA chart

Municipalities have raised concerns that National Treasury issue the mSCOA chart changes late in the budget process. To address this challenge, the FAQ database will be closed on 31 August 2019 for logging new queries. The new version of the chart will be issued by 31 October 2019.



The primary objective is to achieve an acceptable level of uniformity and quality from the collection of Local Government (Municipality and Municipal Entities) data. This will require a classification framework for Local Government. Hessequa Municipality went live on SCOA on 1 July 2015 amidst various teething and conversion problems. These challenges are on-going. The classification framework specific to Local Government incorporating all transaction types, appropriation of funds, spending on service delivery, capital and operating spending and classification, policy outcomes and legislative reporting requirements can still be considered work in progress.

- Implementation of this framework must give recognition to:
- International standards, guidance and best practices
- Labels and accounts defined to have readily available the information needed for local government budgeting (annual budgets, adjustment budgets and SDBIP) and reporting (monthly, mid-year performance assessment and annual financial statements)
- General alignment of financial reporting formats and the annual financial statements to key budget format reforms
- Alignment of budget and reporting formats with the Standards of GRAP and principles within the provisions of the transitional arrangements applicable to the different categories of municipality, especially recognizing that local government uniquely operates in an accrual accounting and budgeting environment
- Consistent use of terminology across all municipalities by defining all accounts and labels in simple terms to support appropriate classification of transactions throughout all municipalities
- Standardization across local government by clearly outlining the information requirements which will enable municipalities and their information system suppliers to develop software and report writing formats that are automated and compliant to reporting requirements governing Local Government

- Seamless integration of core system with sub-systems (municipalities must ensure the integration of the Debtors, Payroll and Asset sub-systems); and
- Integrated budgeting facility directly linked to the IDP and SDBIP facilities on the system

Currently the municipality uses BCX's Venus financial system. This system is very old and cannot handle seamless integration. The municipality can however confirm that the core system integrates with its sub-systems (Payday, billing, cash draw, asset register, bank etc.). These files are received into the core system by simply entering "Yes/No" for the file. This is within the minimum requirement of Province on condition that the file integration is stored in a safe environment where NO manipulation can occur, and that a reconciliation between the two systems are done at least on a monthly basis. At present Hessequa complies with the minimum requirement.



MFMA circular no.93 which was issued on 7 December 2018, deals with the following**► Draft Budget & Final Budget – 2019/20**

- Version 6.3 of the chart will be effective from 2019/20 and must be used to compile the 2019/20 MTREF
- Municipalities should exercise caution when changing their financial system to avoid purchasing a system that do not comply with the necessary mSCOA functionality requirements.
- The municipality is in the process of acquiring the new Budget Tool from BCX and the schedule A1 will be directly produced from the module for the final 2019/20 MTREF budget
- National Treasury upgraded the A schedules to version 6.3. Council's software providers were able to do these changes on our systems.
- Schedules for National Treasury are generated automatically by the system. The 2019/20 MTREF budget has been compiled in accordance with version 6.3. To comply with this, some schedules were still done manually by the Municipality.

Annexure B – Changes to Schedule A1 – Version 6.3 (The Excel Formats)

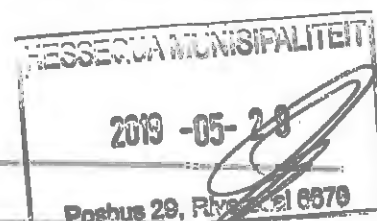
No	Sheet	Amendment	Reason
1	A2A	Budget and Treasury office has been removed	It is a duplication of Finance
2	A4	Line 10 Service charges - other is no longer available	Not available on the mSCOA chart
3	A6	Line 20 Agriculture is no longer available	Not available on the mSCOA chart
2	A6	Formula link change on line 32 Trade and other payables	Adjustments made on SA3
4	A8	Formula link change on line 31 Creditors due	Adjustments made on SA3
5	A9	Adjustments made to lines 134 to 135 Asset Register Summary - PPE (WDV)	Only high level summary required
6	SA3	Line 35 and 36 - split Trade payables and Other creditors	To refine calculation of creditors days ratio
8	SA8	Note: Formula in line 23 now only take into account Trade payables	Due to change made on SA3
9	SA25	Line 10 Service charges - other is no longer available	Not available on the mSCOA chart
11	SA30	Line 10 Service charges - other is no longer available	Not available on the mSCOA chart



1.6 LONG TERM FINANCIAL PLAN

Councils approved financial plan for the outer years of the 2018/19 MTREF period was adopted for the draft budget. The budget provides for the compilation of a new financial plan. This could not happen during 2018/19 because the infrastructure master plans must be updated. The updating is currently underway, and provision has been made in the draft budget for the updating of the long term financial plan.

A list of the recommendations of 2018/19 is reflected in the table below



NO.	RECOMMENDATION	COMMENT
2	Sell Investment Property	The MTREF budget returns accounting deficits for the MTREF period and with the ambitious capital investment programme expected the sale of investment property remains an alternative funding source.
3	Manage expenses	The current economic environment in South Africa impacts negatively on the ability of households to afford services. Therefore in an attempt to support its rate paying community, cost control remains an important objective of the municipality.
4	Maintain Liquidity Reserve	Liquidity has improved, but the recommendation remains relevant, especially in the light of an expected downward trend of liquidity in future.
5	Downward Adjustment of Salaries and Wages Bill	The average percentage employee related expenses to total expenditure is estimated to be less than 33% during the 10-Year period and is within the benchmark proposed by National Treasury (40%).
6	Support to indigents	Remains relevant. Continuously review affordable service levels.
7	Prioritise capital investment programme	The capex demand (new and replacement capex) was determined during the preparation of the LTFF in 2013 and needs to be revisited. Whereas the original recommendation encouraged more capital expenditure, the tide has now turned and the municipality should take care that its accelerated capex programme remains affordable.
8	Assess condition of assets accurately	Remains relevant to ensure timeous replacement.
9	Migrate asset register to become a decision-making tool.	Remains relevant.
10	Debt affordability	The ambitious borrowing programme during the MTREF period should be followed by a more cautious approach thereafter.
11	Recommendations emanating from discussion with Executive Management.	All recommendations remain relevant to the extent not yet achieved.
13	Align external fund raising to capex programme	Ensure that future borrowings are aligned to the expected capital spending pattern. This recommendation remains valid but borrowings also need to be phased to ensure that gearing and liquidity criteria are met.
14	Cash back a Capital Replacement Reserve ("CRR")	The cash surplus generated is not sufficient to cash back the depreciation charge in a CRR, but the estimates indicate that the municipality should be able to reserve a percentage of the depreciation charge at times.
15	Adjust R&M budget upwards.	Continuously increase the R&M budget to reach the proposed 8% of Carrying Value of assets to ensure the health of existing assets. This recommendation remains valid

A few of the more pertinent aspects of the report are discussed below:

1. Increase Municipal revenues

Council's expenditure budget increases more than what is generated from the revenue budget. The increase in the revenue base will ensure that income be generated from tariffs and growth. Hessequa Municipality does not currently reflect fiscal growth, and expenditure must be recovered from

tariffs. This has resulted in tariffs increasing well above the inflation rate. The 2019/20 MTREF budget makes provision for tariff increases between 6% and 15%.

2. Sale of Investment property

The sale of investment property is still of the utmost importance, and this need will decrease as soon as a cash contribution can be made to Council's reserves by means of tariffs. Currently no contributions can be made to reserves which are necessary for capital spending since the raising of external loans has a huge impact on tariff increases.

3. Manage Expenses

Council's operating expenditure increases annually by more than the prescribed inflation targets promulgated in the applicable budget circulars. One of the biggest causes is because the cost drivers used to measure inflation are not the same as those of a municipality. Council has cut its new posts budget drastically.

4. Liquidity Reserve

Council intends to raise a smaller external loan for 2018/19 than budgeted for.

8. Assess condition of assets accurately

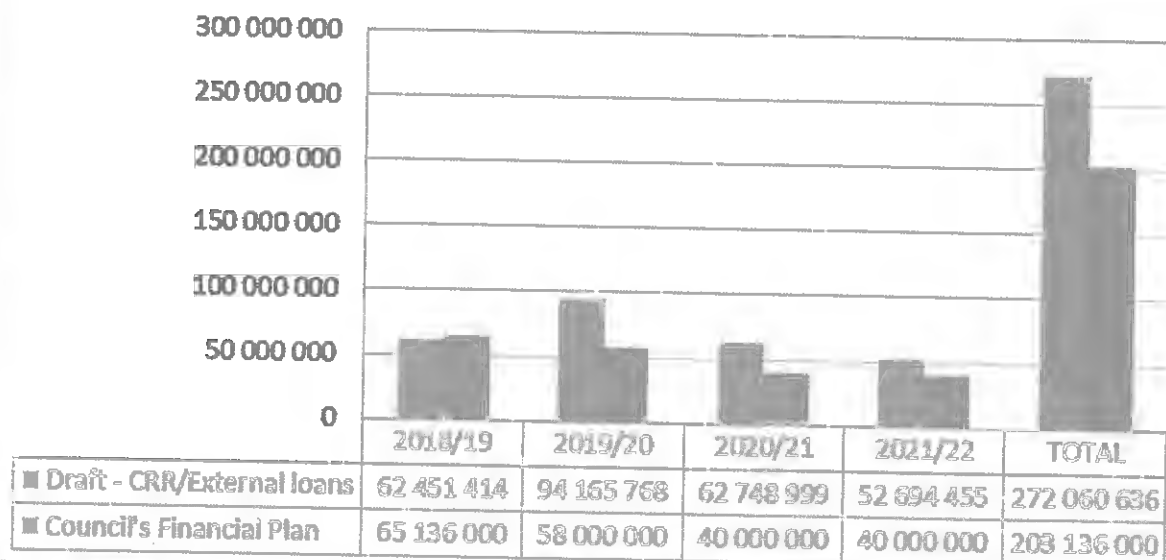
The assessment of Council's assets is a priority. Council is already in an advanced stage with the implementation of Risk Assessment and Maintenance Management plans.

14. Cash back the capital replacement reserve

The full recovery of expenditure by means of tariffs will have to be prioritized so as to generate surplus funds that can be utilized at a later stage for capital investment. The municipality has budgeted for a deficit over the 2019/20 MTREF period, which means that there is no cash to contribute to the Capital Replacement Reserve. It is the intention to rectify this by decreasing the deficit year on year.

The budget for 2019/20 from own funds as tabled is R94 165 768. Included are rollovers of R34 452 818 from the 2018/19 budget. This leaves R59 712 950 from own funds for the 2019/20 budget, which is ± R1,7 million more than the long-term financial plan.

COMPARISON: DRAFT CAPITAL BUDGET TO FINANCIAL PLAN



1.7 FINANCIAL RATIOS & NORMS

The financial ratios are calculated in accordance with MFMA circular 71.

1.7.1 CAPITAL EXPENDITURE TO TOTAL EXPENDITURE

	2016/16	2016/17	2017/18		2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Total Expenditure	425 142 063	514 187 589	467 657 612	571 219 002	607 800 179	632 601 311	672 418 216
Capital Expenditure	85 966 906	123 137 935	62 299 777	92 477 157	110 408 968	77 943 349	68 733 255
	20%	24%	13%	16%	18%	12%	10%

The norm range is between 10% and 20%.

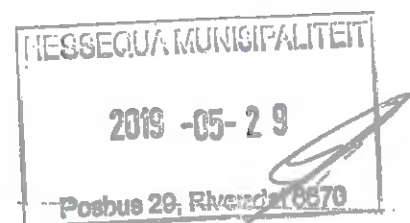
When assessing the level of investment in assets, a ratio less than 10% reflects lower spending by the municipality in Infrastructure and holds potential risks to service delivery. A ratio of more than 20% reflects higher spending on infrastructure and acceleration in service delivery, but could also hold financial sustainability risks if the infrastructure does not include both economic (revenue generating) and social type infrastructure.

1.7.2. REPAIRS & MAINTENANCE AS A % OF PROPERTY PLANT AND EQUIPMENT

	2016/16	2016/17	2017/18		2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Total Repairs & Maintenance	15 685 796	63 532 639	69 154 285	76 735 447	83 577 933	91 709 351	97 021 529
PPE, Investment Property & Intangible	712 007 885	823 799 937	845 740 868	902 815 060	983 651 435	1 015 948 255	1 060 062 430
	2%	8%	8%	8%	8%	9%	9%

The norm is 8%.

A ratio below the norm is a reflection that insufficient monies are being spent on repairs and maintenance to the extent that it could increase impairment of useful assets. An increasing expenditure trend may be indicative of high asset-usage levels, which can prematurely require advanced levels of repairs and maintenance or a need for Asset/Replacements. The Hessequa Municipality has dedicated 66.7% of its 2019/20 Capital Expenditure towards replacement of assets. Ratios of Repairs & Maintenance is much higher because of the implementation of the new SCOA accounts, where employees working in the maintenance teams cost is directly linked to repairs and maintenance.



1.7.3. CURRENT RATIO

	2015/16	2016/17	2017/18		2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Current Assets	249 830 678	264 212 285	276 030 422	244 314 967	208 944 104	189 476 895	158 442 026
Current Liabilities	139 612 936	105 044 802	97 482 387	102 253 514	99 250 749	107 252 970	115 607 187
	1.8	2.5	2.8	2.4	2.1	1.8	1.4
	1.8:1	2.5:1	2.8:1	2.4:1	2.1:1	1.8:1	1.4:1

The Norm range is between 1.5 to 2:1

The higher the current ratio, the more capable the municipality is to pay its current or short-term obligations and provide for a risk cover to enable it to continue operations at desired levels. A financial ratio under 1 suggests that the Municipality would be unable to pay all its current or short-term obligations if they fall due at any specific point

1.7.4. CAPITAL COST (INTEREST PAID AND REDEMPTION) AS A % OF TOTAL OPERATING EXPENDITURE

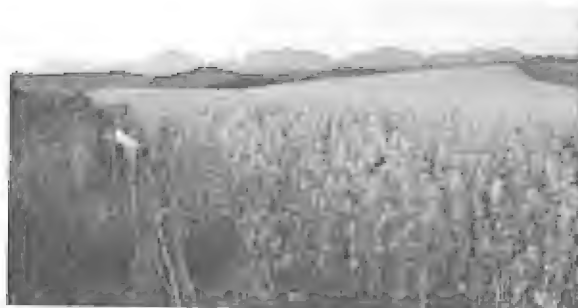
	2015/16	2016/17	2017/18		2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Interest Paid	13 695 000	12 301 005	12 802 688	14 678 707	14 517 893	19 275 545	21 340 161
Redemption	11 539 000	14 566 109	15 739 178	17 420 948	20 512 955	24 120 518	25 581 109
Total Operating Expenditure	339 175 157	391 049 654	405 357 835	478 741 845	497 391 211	554 657 962	603 684 961
	7%	7%	7%	7%	7%	8%	8%

The norm is 6% to 8%

Operating below the Norm could indicate that the Municipality has the capacity to take on additional financing from borrowing to invest in infrastructure projects or it could relate to cash flow problems where it is unable to access borrowed funds, or the funding decisions of the municipality impacts of these levels. On the other hand, exceeding the norm could pose a risk to the municipality should changes or fluctuations in financing costs arise. The table above is not in line with NT Schedule SA 8, because of interest on landfill sites.

Requirements of the Borrowing, Funds and Reserves Policy (Hessequa Municipality)

- Percentages of Total Annual Repayment (Capital and Interest) to Operating Expenditure to be less than 10%



1.7.5. REMUNERATION (EMPLOYEE RELATED COSTS & COUNCILLORS REMUNERATION) AS % OF TOTAL OPERATING EXPENDITURE

	2015/16	2016/17	2017/18		2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Employee Related Costs	116 413 761	127 791 236	150 458 498	165 196 148	186 234 060	198 989 656	212 769 380
Councillors Remuneration	6 046 658	6 483 887	7 202 030	8 050 309	8 330 421	8 913 555	9 537 501
Total Operating Expenditure	339 175 157	391 049 654	405 357 835	478 741 845	497 391 211	554 657 962	603 684 961
	36%	34%	39%	36%	39%	37%	37%

The norm range is between 25% and 40%. Hessequa Municipality is within the norm

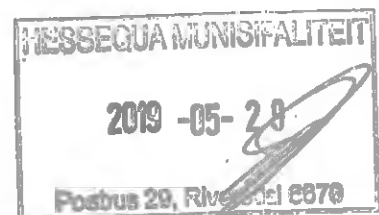
If the ratio exceeds the norm it could indicate inefficiencies, overstaffing or even the incorrect focus due to misdirected expenditure to non-essentials or non-service delivery related expenditure.

1.7.6. CONTRACTED SERVICES % OF TOTAL OPERATING EXPENDITURE

	2015/16	2016/17	2017/18		2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Contracted Services	4 504 463	38 735 468	32 192 656	35 872 010	32 694 235	47 735 734	55 492 153
Total Operating Expenditure	339 175 157	391 049 654	405 357 835	478 741 845	497 391 211	554 657 962	603 684 961
	1%	10%	8%	7%	7%	9%	9%

The norm range is between 2% and 5%

Ratios of Contracted Services is much higher because of the implementation of the new SCOA accounts. Before implementation of SCOA some of the Contracted Services was reflected under general expenses.



1.8 OPERATING REVENUE FRAMEWORK

The operating revenue budget, excluding capital transfers and contributions for 2019/20, amounts to R481,779 million. This is a 4.56% growth when compared to the 2018/19 adjustment budget. For the 2020/2021 financial year the revenue, excluding capital transfers and contributions, is R528,607 million and shows a increase of 9.72% when compared to 2019/20. For the 2021/2022 financial year, the revenue amounts to R574,662 million and shows a 8.71% growth when compared to 2020/2021.

The following table is a summary of the 2019/20 MTREF (classified by main revenue source):

WC042 Hessequa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source											
Property rates	2	85 937	70 988	78 149	84 865	84 885	84 885	84 885	94 657	101 893	109 828
Service charges - electricity revenue	2	117 788	128 077	132 153	138 175	138 175	138 175	141 221	157 911	171 272	184 999
Service charges - water revenue	2	28 018	31 145	33 830	36 394	36 394	36 394	37 986	40 987	44 258	47 788
Service charges - sanitation revenue	2	15 995	17 194	20 242	21 197	21 197	21 197	29 053	23 332	25 199	27 214
Service charges - refuse revenue	2	11 812	12 542	15 284	18 162	18 162	18 162	25 274	22 895	24 154	26 087
Rental of facilities and equipment		11 064	2 028	2 607	1 952	1 952	1 952	1 952	2 660	2 871	3 099
Interest earned - external investments		12 637	18 094	17 959	5 528	5 528	5 528	5 528	8 688	8 723	8 729
Interest earned - outstanding debtors		1 035	1 622	1 950	1 573	1 573	1 573	1 573	1 688	1 834	1 981
Dividends received											
Fines, penalties and forfeits		44 052	66 507	38 417	67 872	67 872	67 872	67 872	45 040	47 742	50 607
Licences and permits		1 245	1 319	1 420	1 475	1 475	1 475	1 475	1 563	1 657	1 756
Agency services		1 778	1 987	2 218	2 032	2 032	2 032	2 032	2 203	2 247	2 292
Transfers and subsidies		52 392	62 641	60 346	55 751	62 368	62 368	62 368	59 137	74 894	87 105
Other revenue	2	5 240	16 134	19 735	15 808	15 808	15 808	15 808	18 414	19 420	20 484
Gains on disposal of PPE		785	4 906	503	2 500	2 500	2 500	2 500	2 595	2 643	2 694
Total Revenue (excluding capital transfers and contributions)		389 808	435 084	424 794	453 282	459 899	459 899	473 514	481 779	528 607	574 662

Revenue principles accepted by the Budget Committee and used in finalizing the final budget

Council's budget guidelines stipulated that rates and service tariffs have to increase with CPI plus 1% - 2%. After the compilation of the draft budget the budget committee recommended the following tariff increases for the 2019/2020 financial year.

Proposed tariff increases over the medium term

Description	2019/20		
	Medium Term Revenue & Expenditure Framework		
	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
Property Rates	9.0%	9.0%	9.0%
Electricity (Average)	13.07%	13.07%	13.07%
Water	12.0%	12.0%	12.0%
Sanitation Revenue	9.0%	9.0%	9.0%
Refuse Revenue	15.0%	15.0%	15.0%

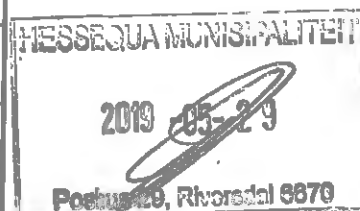


Table A4: Percentage growth in revenue by main revenue source – (NT – supporting tables)**WC042 Hessequa - Table A4 Budgeted Financial Performance (revenue)**

Description R thousand	2019/20 Medium Term Revenue & Expenditure Framework					
	Budget Year 2019/20	% Share	Budget Year 2020/21	% Share	Budget Year 2021/22	% Share
Revenue By Source						
Property rates	94 657	19.6%	101 693	19.2%	109 828	19.1%
Service charges - electricity revenue	157 911	32.8%	171 272	32.4%	184 999	32.2%
Service charges - water revenue	40 987	8.5%	44 256	8.4%	47 786	8.3%
Service charges - sanitation revenue	23 332	4.8%	25 199	4.8%	27 214	4.7%
Service charges - refuse revenue	22 895	4.8%	24 154	4.6%	26 087	4.5%
Rental of facilities and equipment	2 660	0.6%	2 871	0.5%	3 099	0.5%
Interest earned - external investments	8 688	1.8%	8 723	1.7%	8 729	1.5%
Interest earned - outstanding debtors	1 698	0.4%	1 834	0.3%	1 981	0.3%
Fines	45 040	9.3%	47 742	9.0%	50 607	8.8%
Licences and permits	1 563	0.3%	1 657	0.3%	1 756	0.3%
Agency services	2 203	0.5%	2 247	0.4%	2 292	0.4%
Transfers recognised - operational	59 137	12.3%	74 894	14.2%	87 105	15.2%
Other revenue	18 414	3.8%	19 420	3.7%	20 484	3.6%
Gains on disposal of PPE	2 595	0.5%	2 643	0.5%	2 694	0.5%
Total Revenue (excluding capital transfers and contributions)	481 779	100.0%	528 607	100.0%	574 662	100.0%
Total Revenue from Rates & Service Charges	339 781	70.5%	366 574	69.3%	395 914	68.9%

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

In the table above it can be seen that revenue generated from rates and service charges forms a significant percentage of the revenue basket of the Municipality. Rates and service charge revenues comprise more than two thirds of the total revenue mix. In the 2019/20 financial year, revenue from rates and service charges totals to a budget of R339,781 million which is 70.5% of the total revenue budget, excluding capital transfers and contributions. This increases to R366,574 million (69.3%) and R395,914 million (68.9%) in the respective financial years of the MTREF.

Operating grants and transfers totals R59,137 million in the 2019/20 financial year and increases to R74,894 million by 2020/21 and increase to R87,105 million in the 2021/22 financial year. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

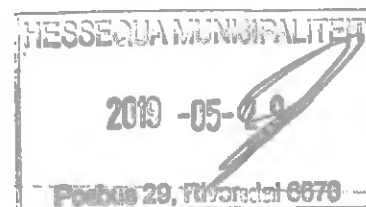


Table SA18: Operating Transfers and Grant Receipts (NT – supporting tables)

WC042 Hessequa - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2018/18	2018/17	2017/16	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		37 809	48 121	41 086	44 734	44 384	44 384	47 404	50 820	54 726
Local Government Equitable Share		31 529	34 568	37 487	40 885	40 885	40 885	44 083	47 489	51 230
Finance Management		1 460	1 475	1 550	1 550	1 538	1 538	1 550	1 550	1 550
Municipal Systems Improvement		930								
Dme / Mig Admin Staff Member										
Integrated National Electrification Programme		3 000	3 000	1 000	800	264	264		800	1 200
Epwp Incentive		1 000	1 088	1 033	1 028	1 028	1 028	1 108		
Mig 5% Administration Portion Of Mig					673	673	673	683	709	746
Vat On National Conditional Operating Grants										
Vat On Operating Grants National										
Flood Disaster Relief (National)										
Mig Operating Grant Expenditure										
Flood Disaster - Project Manager- Admin										
Expanded Public Works Programme Integrated Grant										
Local Government Financial Management Grant (Sof)										
Municipal Infrastructure Grant										
Provincial Government:		17 309	37 850	20 348	9 868	10 900	10 900	10 890	23 308	31 320
Housing		9 857	28 119	3 587	760	6 855	6 855	1 382	12 450	21 000
Sport And Recreation										
Flood Disaster Prov Road Maint, Cdw Libraries, Land Water, Hse, Dme										
Flood Disaster Fund										
Public Transport and Systems										
Dept Of Transport - Main Road Maintenance		95	111	111	110	110	110	103	118	118
Cdw Support Grant										
Library Extended Staff Levels Grant (Conditional Grant)										
Library Personnel Expenditure Grant (Vulnerable Municipalities)										
Thusong Centre										
Financial Management										
Pgwc Risk Management / Internal Audit										
Pgwc Performance Management System										
Vat On Operating Grants Provincial										
Pgwc Tariff Structure Investigation										
Pgwc Capacity Building Grant		300	120	240	380	380	360	360		
Pgwc, Greening Develop. Grant Tun Op Die Brak				50						
Greenest Municipality Competition Environmental As		130	130							
Financial Management Support (WC_FMGSG)		353		330	330	80	80			
Other Capacity Building Grant						234	234			
Thusong Support Grant		100								
Pgwc, Graduate Internship Grant/Capacity Building		267	60	66					100	
Drought Support grant			1 000	7 500						
Fire Service Capacity Building Grant			1 200							
Community Development Workers					19					
Electoral Master Plan										
Capacity Building										
Housing										
Library Service		8 407	7 010	7 684	8 389	8 644	8 644	8 725	10 840	10 202
Public Transport										
Replacement Funding										
Municipal Systems Improvement				600						
Other Capacity Building			200			824	824			

HESSEQUA MUNICIPALITY

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WC042 Hessequa - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		1 278	145	412	1 068	1 078	1 078	1 143	1 058	1 088
Disaster Relief/ Trade Union		441	128	372	1 049	1 049	1 049	1 049	1 049	1 049
Business Engineering, Continuous Cultural Projects		10			10	10	10	10	10	10
Other As's										
Other/Lotto		527								
Heritage Western Cape										
Arbor City Award (Total)		300						24		
Afronics centre			17							
Mining Companies										
Unspecified				40		17	17	60		
Total Operating Transfers and Grants	5	88 486	78 210	61 840	88 751	82 366	82 366	88 137	74 884	87 106
Capital Transfers and Grants										
National Government:		88 118	43 023	25 332	18 188	18 838	18 838	14 863	14 684	15 878
Municipal Infrastructure Grant (Mig)		13 332	13 023							
Public Transport And Systems										
Integrated National Electrification Programme					2 400	2 737	2 737	1 985	1 200	1 800
Municipal Infrastructure Grant (Mig)				18 813	12 789	12 789	12 789	12 968	13 484	14 178
Flood Disaster		39 325	30 000							
Dept Of Mineral And Energy (Dme)				11 519						
Regional Bulk Infrastructure										
Expanded Public Works Program - Nat Grant										
Dept Water Affairs		3 488								
Municipal Systems Improvement										
Financial Management Grant						14	14			
Other capital transfers/grants [insert desc]										
Municipal Disaster Grant [Schedule 5B]										
Provincial Government:		-	-	-	335	8 432	8 432	1 281	830	81
Disaster and Emergency Services						7 762	7 762	830		
Financial Management						250	250			
Housing										
Human Settlement Development										
Libraries, Archives and Museums										
Libraries, Archives and Museums										
Library Service					335	335	335	131	530	81
Municipal Systems Improvement										
Other										
Greenest Municipality Competition							68			
Environmental Affairs & Planning						19	19			
Financial Management Support (WC_FMGSG)								330		
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	1 000	8 737	8 737	-	-	-
Agency Francaise de Development										
Foreign Government and International Organisations						4 600	4 600			
Mining Companies										
Private Enterprises					1 000	1 000	1 000			
Product						237	237			
Unspecified										
Total Capital Transfers and Grants	5	88 118	43 023	25 332	18 524	28 708	28 708	16 243	15 194	16 039
TOTAL RECEIPTS OF TRANSFERS & GRANTS		112 811	121 239	87 172	72 276	82 076	82 076	78 380	90 088	103 144



In the publication of the Western Cape DORA the Library Service Grant was overstated with R600 000. This will be officially corrected by the Provincial Library Services before the final approval of the budget in May 2019. The municipal budget for Library Services are correct in the draft 2019/20 MTREF budget.

1.8.1 ELECTRICITY TARIFFS

The operational budget for the 2019/2020 financial year makes provision for the following electricity tariff increases from 1 July 2019:

❖ Eskom tariff increase in respect of purchase of electricity (NERSA):	15.63%
❖ Municipal electricity tariff increases – (average)	: 13.07%
❖ Availability Charges	: 8.0%
❖ Connection charges, deposits	: 8.0%



The budget provides for a 15.63% increase in bulk purchases and 13,07% for average tariff increases. **For indigent households the tariff increase for electricity consumption (51 to 350 Kwh) per month will increase by only 6.04%.**

Principles and Policy on Tariffs and Free Basic Services Policy & By-Law for 2019/20 has been amended with the following:-

Tariff Policy

9.1.1.1(b) & 9.2.1.1(b) - phasing out of 33A-45A

9.1.1 Customers with Conventional Meters

9.1.1.1 Customers with conventional meters are billed as follows:-

(b) Two part tariff:

- i. Basic monthly charge (R/month). The basic charge is determined by the category within which the consumer's tariff circuit breaker size falls, i.e. 0 to 32A, (33 to 45A), 33A to 63A and 64 to 80A for single, and 0 to 32A, (33 to 45A): 33A to 63A and 64 to 80A for three phase.

9.2.1 Customers with Conventional Meters

9.2.1.1 Customers with conventional meters are billed as follows:-

(a) Two part tariff:

- i. Basic monthly charge (R/month). The basic charge is determined by the category within which the consumer's tariff circuit breaker size falls, i.e. 0 to 32A, (33 to 45A), 33A to 63A and 64 to 80A for single phase, and 0 to 32A, (33 to 45A), 33A to 63A, 64 to 100A for three phase.

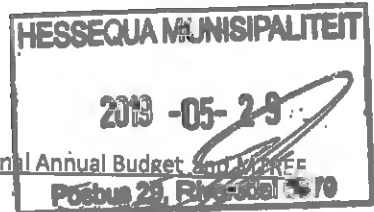
9.1.2.1(i) & 9.2.2.1(b)(i) – phasing out of 33A – 45A

9.1.2 Pre-paid Customers

9.1.2.1 Prepaid users are charged based on a Two part tariff:-

- i. The basic charge is determined by the category within which the consumer's pre-payment meter trip setting falls, i.e. 0 to 32A, (33 to 45A), 33A to 63A and 64 to 80A for single phase and 0 to 32A, (33 to 45A) and 33A to 63A for three phase. The basic charge will not be billed monthly but collected when customers purchase electricity at any given time as follow:-





9.2.2 Pre-paid Customers

9.2.2.1 Prepaid users are charged on a Two part tariff:

- i. Basic monthly charge (R/month). The basic charge is determined by the category within which the consumer's pre-payment meter trip setting falls, i.e. 0 to 32A; (33 to 45A); 33A to 63A and 64 to 100A for single phase and 0 to 32A, (33 to 45A), 33A to 63A and 64 to 100A for three phase. The basic charge will not be billed monthly but collected when customers purchase electricity at any given time as follow:-

• Roof Top Study

1. Compilation and approve of a policy

The Small Scale Embedded Generation Policy has been completed and was adopted by Council on 27 June 2018.

2. An Input tariff must be created

NERSA feed-in tariff was approved for the amount of 0,6617c/kWh. The implementation of the feed-in tariff is dependant of the financial system upgrade to include the feed-in tariff on consumer accounts who request to feed back on the municipal network.

3. Investigate the operation on the existing system

In process.

4. Cost of Supply

Cost of supply study is completed in June 2018 and was sent to NERSA for scrutiny. No feedback was received from NERSA to date after confirmation of receipt of the Cost of Supply document from Hessequa Municipality.

5. Capital contribution

During 2018/19 the municipality started to update its master plans. Once the updating has taken place, the capital contributions per service will be workshopped with Council for possible implementation on 1 July 2020.

• "Time of use" (T.O.U) tariff

The T.O.U tariff is already implemented for the bulk supply points from Eskom and the first phase is concluded. Diepkloof and Heidelberg's application for revised tariff structure were sent to Eskom and a quotation was received, which is payable by the Municipality. The new tariff rationalisation from NERSA is still not finalised and will be communicated as soon as the outcomes are available. This process is unfortunately not finalised by NERSA yet and feedback will be provided as soon as the rationalisation of the tariff structure is finalized by NERSA.

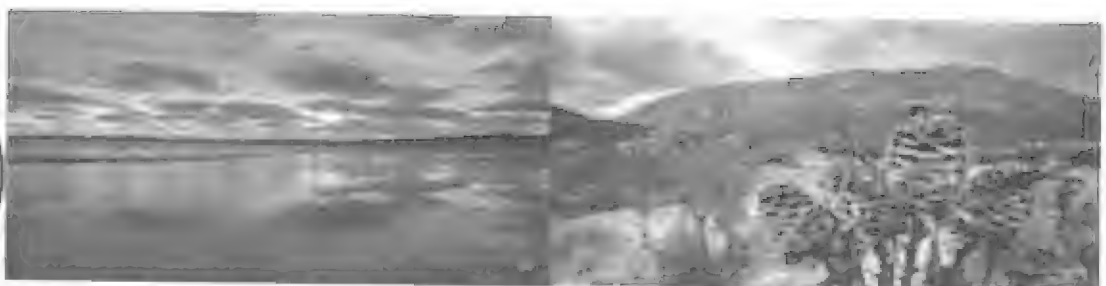
The new roll out for T.O.U tariff implementation will form part of a second phase to include bulk users and is also dependant on budget requirements for both the Technical- and Financial Departments. The financial system must be upgraded to ensure that the finance system can include the T.O.U tariff structure for bulk consumers. The current electricity meters for bulk consumers must be changed to smart meters in order to ensure that the metering can be adjusted accordingly.

The T.O.U tariff structure implementation runs concurrent with the financial system and smart metering system, which is required to be budgeted, for successful implementation. Due to NERSA's tariff approval for

the tariff structure changes, smart system installations and financial system upgrade requirements, the process will be workshopped during the 2019/20 year to establish the feasibility for implementation at Hessequa Municipality from 1 July 2020.

C M B will compile the NERSA application

NERSA is in the process of consulting with municipalities regarding the rationalisation of electricity tariffs within the distribution industry to find the most appropriate structures. In view hereof, it is proposed that the municipality's present structure be retained and not be changed until NERSA has finalised their consultation process, and provided clear guidance on the way forward.



ELECTRICITY TARIFFS

Consumer	Current Tariff 2018/2019 per kWH (excl. vat)	Proposed Tariff 2019/2020 per kWH (excl. vat)	% Increase
1. Domestic - Conventional Meters			
0 - 50 kWH	0.9100	1.0280	12.97%
51 - 350 kWH	1.1590	1.3100	13.03%
351 - 600 kWH	1.6410	1.8550	13.04%
> 600 kWH	1.9370	2.1900	13.06%
Basic Charges - 60 amp	403.80 pm	442.20 pm	9.51%
2. Domestic - Pre-paid Meters (Indigent)			
0 - 50 kWH	free	free	
51 - 350 kWH	1.1590	1.2290	6.04%
351 - 600 kWH	1.6410	1.8550	13.04%
> 600 kWH	1.9370	2.1900	13.06%
Basic Charges - 20 amp	Nil	Nil	
3. Domestic - Small Users - Pre-paid Meters			
0 - 50 kWH	0.9100	1.0280	12.97%
51 - 350 kWH	1.1590	1.3100	13.03%
351 - 600 kWH	1.6410	1.8550	13.04%
> 600 kWH	1.9370	2.1900	13.06%
Basic Charges - 60 amp	94.90 pm	103.92 pm	9.50%
4. Domestic - Pre-paid Meters			
0 - 50 kWH	0.9100	1.0280	12.97%
51 - 350 kWH	1.1590	1.3100	13.03%
351 - 600 kWH	1.6410	1.8550	13.04%
> 600 kWH	1.9370	2.1900	13.06%
Basic Charges - 60 amp	189.79 pm	207.83 pm	9.51%
5. Domestic - Pre-paid Meters - Alternative			
0 - 50 kWH	0.9940	1.1230	12.98%
51 - 350 kWH	1.2620	1.4260	13.00%
351 - 600 kWH	1.7570	1.9860	13.03%
> 600 kWH	1.9370	2.1900	13.06%
Basic Charges - 60 amp	Nil	Nil	0.00%
6. Business - Conventional Meters			
Energy consumption per kWH	1.4250	1.6140	13.26%
Basic Charges - 60 amp	494.40 pm	540.00 pm	9.22%
7. Business - Pre-paid Meters			
Energy consumption per kWH	1.4250	1.6140	13.26%
Basic Charges - 60 amp	232.37 pm	253.80 pm	9.22%
8. Business - Bulk Consumers			
Energy consumption per kWH	0.7760	0.8850	14.05%

HESSEQUA MUNISIPALITEIT

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Revenue and Expenditure in respect of the Electricity Department

(Excl. capital grant & Free Basic Services)	Budget 2018/19	Budget 2019/20
Total Electricity Revenue	155 824 731	176 551 166
Total Electricity Expenditure	139 324 617	156 890 750
NETT PROFIT / (LOSS)	16 500 114	19 660 416
Percentage Gross Profit	11.84%	12.53%



As can be seen from the above figures, the electricity department reflects a budgeted surplus in 2018/19 of R16,500 million (11.84%) and a surplus in the 2019/20 draft budget of R19,660 million (12.53%). This service is a trading service and has to show a surplus.

The table excludes capital grant income and the cost of free basic services.

It is clear from the above that there is an increase in the net profit on electricity. The surplus that Hessequa Municipality generates from electricity sales is well within the norm of between 8 -15%. The main reasons for the increase in the surplus is because of the small difference between tariff increases to municipality for purchase of electricity (15.63%) and tariff increases allowed by the municipality 13.07.

1.8.2 WATER TARIFFS



It is recommended that the water tariffs, i.e. the basic charges, consumption tariffs and availability charges increase by 12% and all sundry charges by 8% from 1 July 2019. Attention is also directed to the tariffs in periods of drought which is also shown in Annexure A. The tariff structure for the 2019/20 financial year has not been changed. The structure is designed to charge higher levels of consumption at a higher rate.

Water is a scarce commodity and its usage must be managed carefully by everyone. Provision has been made in the budget for additional water sources which will have a future implication on the operating budget.

The Credit Control and Debt Collection Policy & By-Law for 2019/20 has been amended with the following:-

17(5)(h) tot (i): Water leakages

- (h) Any water leakage discovered on the side of the customer will be the responsibility of the customer.
 - (i) A customer may qualify for a reduction in levy as determined by Council on his/her account in the event of a water leakage, if:
 - (i) the leakage was repaired within 48 hours after detection / notification by the municipality; and
 - (ii) the customer has not applied for discount on water leakages within the previous 12 months.

- (j) Where a customer repaired such a water leakage the Municipality may consider a rebate on the water account of the customer. In this regard:-
- (i) the customer must apply in writing, within 10 days after completion of repairs, for such rebate.
 - (ii) a receipt as proof of repairs must be submitted with the application.
 - (iii) the application must be submitted to the Chief Financial Officer for approval.
 - (iv) the rebate will be calculated on the average of the previous 12 month's consumption at the lowest tariff;
 - (v) if approved, the applicable credit will be passed in the subsequent account; and
 - (vi) Paragraph 17(5)(j) will only apply where consumption increased more than double the average usage of the previous 12 months due to a leak.

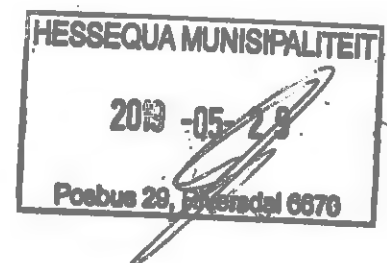
Proposed Water tariffs

The following table shows the impact of the proposed increases in water tariffs for domestic and other consumers:

WATER TARIFFS			
CATEGORY	Current Tariff 2018/2019 Rand per kl (excl. vat)	Proposed Tariff 2019/2020 Rand per kl (excl. vat)	% Increase
Residential			
Water consumption: 1 - 15 kl	6.92	7.75	12%
Water consumption: 16 - 30 kl	7.90	8.84	12%
Water consumption: 31 - 40 kl	8.61	9.65	12%
Water consumption: 41 - 50 kl	10.48	11.74	12%
Water consumption: 51 - 70 kl	12.30	13.77	12%
Water consumption: > 70 kl	14.82	16.60	12%
Old Age Homes / Schools			
Water consumption: 1 - 70 kl	6.08	6.81	12%
Water consumption: 71 - 90 kl	6.92	7.75	12%
Water consumption: > 90 kl	8.61	9.65	12%

Revenue and Expenditure in respect of the Water Department

(Excl. capital grant & Free Basic Services)	Budget 2018/19	Budget 2019/20
Total Water Revenue	49 552 140	55 523 505
Total Water Expenditure	36 822 878	39 508 459
NETT PROFIT / (LOSS)	12 729 262	16 015 046
Percentage Gross Profit	34.57%	40.54%



As can be seen from the above figures, the water department reflects a budgeted surplus in 2018/19 of R12,729 million (34.57%) and a surplus in the 2019/20 budget of R16,015 million (40.54%). This service is a trading service and has to show a surplus. Water consumption trends are still very volatile and it was difficult to project future water consumption patterns. This is always a risk as far as income is concerned.

The table exclude capital grant income and the cost of free basic services.

1.8.3 REFUSE REMOVAL TARIFFS

The service is categorised as an economic service, which means that it has to pay for itself from service fees. It is recommended that the refuse removal tariffs be increased by 15.0% from 1 July 2019.

The reason for the big increase in tariffs is because the department is an economic service that is being operated at a loss. The implementation of the higher tariff will decrease the deficit so that the cost of non-cash items can be recovered. The costs are specifically for depreciation and provision for landfill sites.

Legislation determines the following in connection with refuse removal: Provincial gazette 6588 of 19 December 2008 states:



Reg 5: Compulsory use of service

- (i) No one except the municipality or a person authorized by the municipality may remove any refuse from any property or dispose of it
- (ii) Every owner of property must, where a service is available, make use of the refuse removal or disposal service provided by the municipality in respect of refuse originating from such property
- (iii) The tariff determined by the municipality will be payable by the owner, irrespective of whether the service is used or not.

Reg 19: Burning of refuse

- No person may burn refuse without the written permission of the municipality

Rural refuse removal

This has been levied since July 2018. The rural area has been divided into smaller sections, and the system ensure that one owner will not be levied for "ten" refuse removals. The levy of refuse removal in the rural areas has been incorporated in the policy and tariffs were implemented over the last year (2018/19). The determination of the tariff is as follows:

- Property used for agricultural purposes X 60% of the domestic refuse tariff
- Properties identified by the technical department where developments exist or business is practiced (e.g. Oakdale, Riverside. Puntjie, Press Room, Botterkloof, Kasselshoop etc.) are levied as follows:
 - Amount of businesses on premises X 60% of business tariff per business activity
 - Amount of households on premises X 60% of domestic tariff per household

Residential

Removal from transfer stations - 60% of domestic tariff

Dumping at dumping site - 60% of domestic tariff

Business/Commercial/Industrial

Removal from transfer stations - 60% of business/commercial/industrial tariff

Dumping at dumping site- 60% of business/commercial/industrial tariff

The Principles and Policy on Tariffs and Free Basic Services Policy & By-Law for this category for 2019/2020 has been amended with the following:

REFUSE POLICY

11.1.3 The Council has determined the following categories for refuse removal in rural areas:

11.1.3.3 - Special agreements – Determined and approved by Council from time to time. All developments with eleven or more units that have created a central collection point for refuse as agreed with Council may qualify for a reduced tariff as determined by Council on an annual basis. The Body Corporate may apply, before the 31st of December of the year preceding the financial year for which the rebate is applied for, in writing for a rebate. If approved, a rebate of 20% will be applied. If no application is received the full charges will be levied.

Revenue and Expenditure in respect of the Refuse Department

(Excl. capital grant & Free Basic Services)	Budget 2018/19	Budget 2019/20
Total Refuse Revenue	25 685 067	31 535 132
Total Refuse Expenditure	32 345 409	33 307 982
NETT PROFIT / (LOSS)	-6 660 342	-1 772 850
Percentage Gross Profit	-20.59%	-5.32%

This net deficit shows a decrease from 2018/19 of R6,660 million (20.59%) to R1,772 million (5.32%) in 2019/20. Included in the budget expenditure for 2019/20 are Depreciation of R6,307 million and Finance Charges of R7,279 million for Landfill Sites.

The table excludes capital grant income and the cost of free basic services.



The following table shows the impact of the proposed increases in refuse tariffs for domestic and other consumers:

REFUSE REMOVALS	PER UNIT	Tariff - 2018/2019 (excl. vat)	Tariff - 2019/2020 (excl. vat)	% Increase
Domestic Households	Per month	R 129.00	R 148.00	15%
Business/Commercial/Industrial Maximum of two removals per week	Per month	R 291.00	R 335.00	15%
Bulk - Business/Commercial Industrial Maximum of three removals per week	Per month	R 644.00	R 741.00	15%
Bulk - Business/Commercial Industrial Maximum of four to seven removals per week	Per month	R 1 291.00	R 1 485.00	15%
Removal from transshipping station-rural areas/dumping at dumping sites Residential	Per month	77.40	89.00	15%
Removal from transshipping station-rural areas/dumping at dumping sites Business	Per month	174.60	201.00	15%

1.8.4 SEWERAGE FEES



The service is an economic service, which means that it has to pay for itself from service fees.

The sewerage tariffs have been increased as follows:

Connection fees	9%
Availability fees: Sewerage and Conservancy tanks	9%
Sewerage fees	9%

Tariffs must be calculated on growth of services sold and an annual increase. The inflation targets of 3 to 6% can only be

attained if there is growth. The current poor national economic climate has resulted in very little growth over the past years. This causes tariffs to increase above inflation.

Revenue and Expenditure in respect of Sewerage Department

(Excl. capital grant & Free Basic Services)	Budget 2018/19	Budget 2019/20
Total Sewerage Revenue	29 429 394	32 796 531
Total Sewerage Expenditure	30 355 307	31 118 186
NETT PROFIT / (LOSS)	-925 913	1 678 345
Percentage Gross Profit	-3.05%	5.39%

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The net loss of R0,925 million (3.05%) in 2018/19 turns into a surplus of R1,678 million (5.39%) in 2019/20. The turnaround from net loss to net surplus for the service are due to savings on various expenditure items and the 9% tariff increase.

The table excludes capital grant income and the cost of free basic services.

The following table shows the impact of the proposed increases in sewerage tariffs for domestic and other consumers:

Revenue and expenditure in respect of Sewerage Department

SEWERAGE	Unit	Tariff - 2018/2019 (excl. vat)	Tariff - 2019/2020 (excl. vat)	% Increase
Availability Fees - Empty Stands				
All Empty Stands - Sewerage Network	Per erf p/y	R 1 717.00	R 1 872.00	9.0%
All Empty Stands - Septic Tanks	Per erf p/y	R 857.00	R 935.00	9.1%
Basic Per Connections				
20 mm water connection	Per month	R 146.00	R 159.00	8.9%
20 mm water connection - 15% rebate	Per month	R 124.00	R 135.00	8.9%
25 mm water connection	Per month	R 185.00	R 202.00	9.2%
32 mm water connection	Per month	R 258.00	R 281.00	8.9%
40 mm water connection	Per month	R 362.00	R 395.00	9.1%
50 mm water connection	Per month	R 524.00	R 571.00	9.0%
80 mm water connection	Per month	R 1 225.00	R 1 335.00	9.0%
Basic Per Connections - Septic Tanks				
Basic - All Septic Tank Consumers	Per erf p/m	R 146.00	R 159.00	8.9%
Basic - Septic Tank Consumers - 15% rebate	Per erf p/m	R 124.00	R 135.00	8.9%
Conservancy / Septic Tanks - Withdrawals				
Tariff - withdrawal - All consumers	Per withdrawal	R 255.00	R 277.00	8.6%
After hours	Per withdrawal	R 510.00	R 555.00	8.8%

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2019 -05- 29

Posbus 29, Riversdal 6070



1.8.5 PROPERTY RATES

Revenue from property rates is used to fund services that benefit to the community as a whole as opposed to individual households. These include "non-income generating services/functions" such as streets in town, parks and amenities, administration of the provision of general services. Determining an effective property rate tariff i.t.o. the Municipal Property Rates Act of 2004 and Municipal Property Rates Regulations, 2006, is therefore an integral part of the municipality's budgeting process.



Tariffs increase 9% as set out below. The cost of rebates, not compulsory by legislation, is R7.2 million. This excludes property that qualifies as indigent.

The "Amended Municipal Property Rates Regulations on the rate ratios between residential and non-residential properties came into effect on 1 July 2009 and prescribe the rate ratio for Public Benefit Organisations, Agricultural properties and Public service infrastructure relative to residential properties to be 1:0.25.

The MPRA Amendment Act came into effect on 1 July 2015 and the implementation of the Public Service Purposes Infrastructure (PSP) can have serious financial implications in future years. The reason is that the current tariffs for government property is more than that of Residential/Business tariffs. If an announcement in this regard is made, Municipalities will not be able to differentiate between normal Residential/Business properties and that of Government Properties. Provision has already been made in previous budgets to bring tariffs of state owned property closer to those of residential and business properties.

Council has been busy over the last 2 years with bringing the residential and commercial tariffs of state departments closer to the tariffs applicable to normal residential and commercial properties. Instead of the 9% increase in property rates for all properties in the budget for 2019/20, the increase in tariffs for state departments has been capped at ±6.63%. Although this is a slow process, it will be equalised eventually. The application of the lower increase will cost Council ±R75 029 in the 2019/20 financial year.

Council implemented the new valuation roll on 1 July 2014 and this is the sixth year on this roll. Because of the huge cost to compile a new valuation roll and to implement it, application was made the previous year for the extension of the existing roll and this was approved Western Cape Government. A new valuation roll will be implemented on 1 July 2021 and this budget makes provision for this. The current valuation roll will be effective for the last time during 2020/2021. The process that will be followed with the new roll will be communicated by newsletter, website and local media.

Tariffs in the draft budget is as follows:

The following table reflects:

- Valuation roll
- Current tariff
- Expected revenue 2018/19
- Tariff – Draft Budget 2019/20
- Draft Budget Income – new tariffs 2019/20
- Tariff Increase %



	Valuation Roll	Current Tariff	Expected 18/19	Tariffs Draft Budget 2019/20	Draft Budget - Income - new tariffs	Tariff Increase
Business	519 694 000	0.007858	4 083 755	0.008565	4 451 179	9.00
Farm Properties	3 616 096 365	0.001919	6 939 289	0.002092	7 564 874	9.02
Farm Properties - Business	39 060 000	0.007858	306 933	0.008565	334 549	9.00
Farm Properties - Lifestyle	293 013 000	0.007678	2 249 754	0.008369	2 452 226	9.00
Government	201 887 500	0.015696	3 168 826	0.016737	3 378 991	6.63
Municipal/Non Rateable	313 417 800	0.000000	0	0.000000	0	0.00
Protected areas	46 563 408	0.000000	0	0.000000	0	0.00
Public Benefit	111 829 800	0.000000	0	0.000000	0	0.00
Public Benefit	6 665 000	0.001919	12 790	0.002092	13 943	9.02
Public Service Infrastructure	19 460 480	0.000000	0	0.000000	0	0.00
Residential Improved	8 561 597 851	0.007678	65 675 389	0.008369	72 152 012	9.00
Vacant	759 480 401	0.015355	11 661 822	0.016737	12 711 423	9.00
	14 488 765 605		94 098 559		103 059 198	

Income per Category	%
Business	4.32
Farm Properties	7.34
Farm Properties Business/Lifestyle	2.70
Government	3.28
Public Benefit	0.01
Residential Improved	70.01
Vacant	12.33
	100.00



Valuation Roll

The following table reflects the percentage represented by the various categories of the roll.



The % revenue from the various towns for the current year as well as for the 2019/20 budget is as follows:

	Draft Budget 2019/20 %	Budget 2018/19 %	Draft Budget 2019/20 R	Budget 2018/19 R
Albertinia	4.32	4.38	4 426 499	
Gourismond	3.92	3.95	4 022 106	
Heidelberg/Witsand	15.18	15.25	15 573 074	
Rural	12.02	12.02	12 331 780	
Riversdal	10.26	10.36	10 519 407	
Slangrivier	0.45	0.45	459 098	
Stilbaai/Jingensfontein/Melkhoutfontein	53.85	53.59	55 227 238	
	100	100	102 559 201	0

Proposed Rebates 2019/20

- R50,000 Residential Valuation Rebate – the MPRA requires a R15,000 rebate and Hessequa gives an extra R35,000 per residential property.
- The Municipality awards a 100 per cent grant-in-aid on the assessment rates of rateable properties of certain classes such as registered welfare organizations, etc. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.
- 10% rebate on commercial and residential properties in rural areas (residential calculated after the deduction of the valuation rebate)

Pensioners rebate

The Municipality grants a rebate, to be determined on an annual basis, for retired and disabled persons that do not qualify in terms of Council's approved Indigent Policy. For the 2019/20 financial year rebates will be applied as follows:

(a) Gross income (prior to any deductions, excluded medical aid contributions to a medical scheme registered in terms of the Medical Schemes Act) R0 – R3 500 per month – 25%; and
(b) Gross income (prior to any deductions, excluded medical aid contributions to a medical scheme registered in terms of the Medical Schemes Act) R3 501 to R8 000 per month – 15%.

Additional rebates for owners who qualify in terms of above table (additional on balance of rates) can be granted to owners or usufructuaries if they can be categorised in one of the following age categories: -

- (a) 60 to 75 years – 25%;
- (b) 76 to 85 years – 35%; and
- (c) 86 years and older – 50% (2018/19 = 40%)

The former tariffs as applied to accounts, is reflected in the following table.

Rates Tariff history for the last 3 years and the three years of the MTREF period

CATEGORY	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Residential Properties	0.006582	0.007109	0.007678	0.008369	0.009122	0.009943
Vacant Plots	0.011469	0.012387	0.015355	0.016737	0.018243	0.019885
Agricultural	0.001645	0.001777	0.001919	0.002092	0.002280	0.002485
State	0.014512	0.015673	0.015696	0.016737	0.017909	0.019162
Business	0.006737	0.007276	0.007858	0.008565	0.009336	0.010176

2017/18	Average increase	8%	Increase for state owned property 4%
2018/19	Average increase	8%	Increase for empty plots 24%/state owned property 4%
2019/20	Average increase	9%	Increase for state owned property 6.63%
2020/21	Average increase	9%	Increase for state owned property 6.63%
2021/22	Average increase	9%	Increase for state owned property 6.63%



WC042 Hessequa - Supporting Table SA14 Household bills

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20 % Incr.	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		333.18	356.53	385.07	415.89	415.89	415.89	9.0%	453.32	488.59	528.75
Electricity: Basic levy		352.20	379.20	381.00	403.80	403.80	403.80	9.5%	442.20	477.58	515.78
Electricity: Consumption		1 349.00	1 428.75	1 477.30	1 578.25	1 578.25	1 578.25	13.0%	1 784.15	1 928.88	2 081.03
Water: Basic levy		87.00	104.00	112.00	125.00	125.00	125.00	12.0%	140.00	151.20	163.30
Water: Consumption		171.75	183.75	198.45	222.30	222.30	222.30	11.9%	248.85	268.76	290.28
Sanitation		118.00	125.00	135.00	148.00	148.00	148.00	8.9%	159.00	171.72	185.46
Refuse removal		91.00	97.00	112.00	129.00	129.00	129.00	14.7%	148.00	159.84	172.63
Other											
sub-total		2 912.13	2 674.23	2 908.82	3 020.24	3 020.24	3 020.24	11.8%	3 375.52	3 645.58	3 937.21
VAT on Services		305.05	324.48	338.21	390.65	390.65	390.65		438.33	473.40	511.27
Total large household bill:		2 617.18	2 998.70	3 198.03	3 410.89	3 410.89	3 410.89	11.8%	3 813.85	4 118.98	4 448.48
% Increase/-decrease			6.4%	4.7%	8.7%	(0.0%)	-		11.8%	8.0%	8.9%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		230.66	246.83	268.59	287.93	287.93	287.93	9.0%	313.84	338.94	366.06
Electricity: Basic levy		352.20	379.20	381.00	403.80	403.80	403.80	9.5%	442.20	477.58	515.78
Electricity: Consumption		547.80	586.45	598.50	639.35	639.35	639.35	13.0%	722.65	780.46	842.90
Water: Basic levy		97.00	104.00	112.00	125.00	125.00	125.00	12.0%	140.00	151.20	163.30
Water: Consumption		141.25	151.10	163.20	182.80	182.80	182.80	12.0%	204.65	221.02	238.70
Sanitation		118.00	125.00	135.00	148.00	148.00	148.00	8.9%	159.00	171.72	185.46
Refuse removal		91.00	97.00	112.00	129.00	129.00	129.00	14.7%	148.00	159.84	172.63
Other											
sub-total		1 577.91	1 689.58	1 768.29	1 913.88	1 913.88	1 913.88	11.3%	2 130.34	2 300.76	2 484.63
VAT on Services		202.09	213.41	225.26	243.89	243.89	243.89		272.48	294.27	317.81
Total small household bill:		1 780.00	1 902.99	1 993.54	2 157.77	2 157.77	2 157.77	11.4%	2 402.81	2 595.04	2 802.64
% Increase/-decrease			5.8%	5.8%	8.2%	-	-		11.4%	8.0%	8.0%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		127.85	137.13	148.10	159.96	159.96	159.96	9.0%	174.35	188.30	203.37
Electricity: Basic levy											
Electricity: Consumption		288.50	318.80	325.50	347.70	347.70	347.70	6.0%	368.70	398.20	430.05
Water: Basic levy		97.00	104.00	112.00	125.00	125.00	125.00	12.0%	140.00	151.20	163.30
Water: Consumption		78.85	84.13	90.87	101.78	101.78	101.78	12.0%	113.95	123.07	132.91
Sanitation		118.00	125.00	135.00	148.00	148.00	148.00	8.9%	159.00	171.72	185.46
Refuse removal		91.00	97.00	112.00	129.00	129.00	129.00	14.7%	148.00	159.84	172.63
Other											
sub-total		811.00	867.06	923.47	1 009.44	1 009.44	1 009.44	9.4%	1 104.00	1 192.32	1 287.71
VAT on Services		102.47	109.49	116.31	127.42	127.42	127.42		139.45	150.60	162.65
Total small household bill:		913.48	976.54	1 039.78	1 136.86	1 136.86	1 136.86	9.4%	1 243.45	1 342.93	1 450.36
% Increase/-decrease			6.9%	6.5%	9.3%	-	-		9.4%	8.0%	8.0%



There was a request from the committee that examples of the impact of tariffs on accounts in the area should be provided. The following for perusal:

DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increase
WARD 1 - STILL BAY-EAST								
Property Market Value : R1,503,000	686.42	744.78	796.97	860.78	929.66	8%	1 013.35	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl	159.00	171.75	183.75	198.45	222.30	12%	248.86	12%
Electricity Basic : 60A connection (Conventional meter)	321.00	352.20	379.20	381.00	403.80	6%	442.20	10%
Electricity Consumption 750kWh.	847.20	935.75	1 005.30	1 024.05	1 094.00	7%	1 237.00	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	224.87	247.20	265.20	274.75	318.02		356.26	
Monthly Services Account	1 831.07	2 012.90	2 159.45	2 237.25	2 438.12	9%	2 731.31	12%
Total Monthly (Property Rates + Services)	2 517.49	2 757.68	2 956.42	3 098.03	3 367.79	9%	3 744.65	11%
Monthly R/C Increase		240.19	198.73	141.82	269.76		376.86	
MELKHOUTFONTEIN - Deemishulp								
Market Value : R47,000	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Basic: 20mm Connection (Indigent Free)	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Consumption: 20kl water (6kl Free)	72.80	78.65	84.13	90.87	101.78	12%	113.95	12%
Electricity Basic : 20Amps (Prepaid basic - free)	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Electricity Consumption 350kWh (50kW free).	278.10	298.50	319.80	325.50	347.70	7%	368.70	6%
Basic - Sewerage	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Basic - Refuse	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
VAT	49.13	52.80	56.55	58.29	67.42		72.40	
Monthly Services Account	400.03	429.95	460.48	474.66	516.90	9%	555.05	7%
Total Monthly (Property Rates + Services)	400.03	429.95	460.48	474.66	516.90	9%	555.05	7%
Monthly R/C Increase		29.92	30.53	14.18	42.24		38.15	
WARD 1 - STILL BAY-WEST (EMPTY STAND)								
Property Market Value : R1,250,000	987.90	1 071.90	1 146.90	1 238.70	1 535.50	24%	1 673.70	9%
Availability Fees								
Electricity	205.00	221.00	236.92	255.83	276.25	8%	312.42	13%
Water	90.00	97.00	102.75	111.00	124.25	12%	134.25	8%
Sewerage	108.00	118.00	122.67	132.50	143.08	8%	156.00	9%
VAT	56.42	61.04	64.73	69.91	81.54		90.40	
Monthly Services Account	458.42	497.04	527.06	569.24	625.12	10%	693.07	11%
Total Monthly (Property Rates + Services)	1 447.32	1 568.94	1 673.96	1 807.94	2 160.62	20%	2 366.77	10%
Monthly R/C Increase		121.62	105.02	133.98	352.88		206.15	



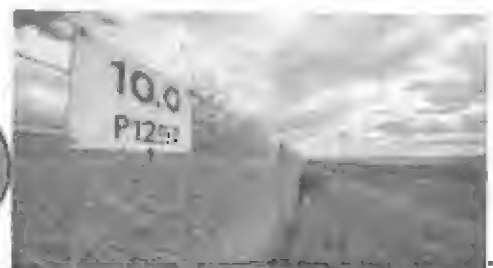
DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increase
GOURITSMOND								
Market Value : R1,128,500	508.56	551.80	590.48	637.74	688.78	8%	750.77	9%
Water Basic : 20mm Connection	80.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 20kl	102.50	110.75	118.45	127.95	143.30	12%	160.45	12%
Electricity Basic : 60A connection (Conventional meter)	321.00	352.20	379.20	381.00	403.80	6%	442.20	10%
Electricity Consumption 650kWh.	700.10	770.45	827.40	842.75	900.30	7%	1 017.98	13%
Basic - Sewerage	108.00	118.00	126.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	196.38	215.52	231.15	239.50	277.11		310.14	
Monthly Services Account	1 588.96	1 754.92	1 882.20	1 950.20	2 124.81	9%	2 377.77	12%
Total Monthly (Property Rates + Services)	2 107.52	2 306.71	2 472.66	2 587.93	2 813.29	9%	3 128.54	11%
Monthly R/C Increase		199.19	165.95	115.28	225.36		315.25	
FARM - WARD 1								
Market Value: R358,000								
Category: VAFARA (Agricultural)	42.04	45.51	48.80	52.72	56.93	8%	62.06	9%
Monthly R/C Increase		3.47	3.29	3.92	4.21		5.13	
GOURITSMOND								
Market Value: R1,980,000	911.76	989.29	1 058.81	1 143.36	1 234.88	8%	1 348.01	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl.	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 60A connection (Prepaid meter)	134.31	164.56	178.26	179.07	189.79	6%	207.83	10%
Electricity Consumption 750kWh.	847.20	935.75	1 005.30	1 024.05	1 094.00	7%	1 237.00	13%
Basic - Sewerage (Septic tank)	53.00	58.00	61.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	191.03	212.53	228.10	246.48	285.91		321.10	
Monthly Services Account	1 555.54	1 730.59	1 857.41	2 007.05	2 192.00	9%	2 461.78	12%
Total Monthly (Property Rates + Services)	2 467.31	2 719.87	2 916.02	3 150.41	3 426.88	9%	3 807.80	11%
Monthly R/C Increase		252.57	198.14	234.40	276.47		380.91	



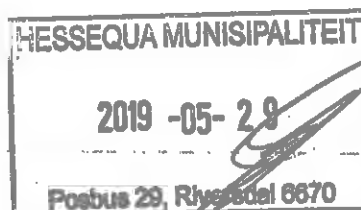
DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increase
WARD 2								
ALBERTINIA								
Market Value: R812,000	359.98	390.59	417.96	451.42	487.55	8%	531.43	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl.	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 60A connection (Prepaid meter)	134.31	164.56	178.26	179.07	189.79	6%	207.83	10%
Electricity Consumption 750kWh.	847.20	935.75	1 005.30	1 024.05	1 094.00	7%	1 237.00	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	198.73	220.93	237.06	246.48	285.91		321.10	
Monthly Services Account	1 618.24	1 798.99	1 830.37	2 007.05	2 192.00	9%	2 481.78	12%
Total Monthly (Property Rates + Services)	1 978.22	2 189.58	2 348.33	2 458.47	2 679.86	9%	2 993.21	12%
Monthly R/C Increase		211.35	158.75	110.14	221.09		313.66	
THERONSVILLE								
Market Value: R68,500	8.74	9.48	10.15	10.96	11.84	6%	12.90	9%
Water Connection : 20mm	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 20kl.	102.50	110.75	118.45	127.95	143.30	12%	160.45	12%
Electricity Basic : 40A connection (Prepaid meter)	101.34	133.40	144.50	155.00	174.00	12%	207.83	16%
Electricity Consumption 300kWh.	288.70	288.05	308.40	313.85	335.25	7%	379.07	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	8%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	16%
VAT	105.22	117.35	125.63	133.81	157.88		179.16	
Monthly Services Account	856.76	955.55	1 022.98	1 089.61	1 210.43	11%	1 373.50	13%
Total Monthly (Property Rates + Services)	865.50	965.03	1 033.13	1 100.57	1 222.27	11%	1 386.40	13%
Monthly R/C Increase		99.54	68.10	67.45	121.70		164.14	
RAINBOWVILLAGE - Deernishulp								
Market Value: R22,000	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Connection : 20mm	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Consumption = 20kl.	72.80	78.65	84.13	90.87	101.78	12%	113.95	12%
Electricity Basic : 40A connection (Prepaid meter)	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Electricity Consumption 350kWh (50kW free).	278.10	298.50	319.80	325.50	347.70	7%	368.70	6%
Basic - Sewerage	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Basic - Refuse	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
VAT	49.13	52.80	56.55	58.29	67.42	#DIV/0!	72.40	#DIV/0!
Monthly Services Account	400.03	429.95	460.48	474.66	516.90	9%	555.08	7%
Total Monthly (Property Rates + Services)	400.03	429.95	460.48	474.66	516.90	9%	555.05	7%
Monthly R/C Increase		29.92	30.53	14.18	42.24		38.15	



DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increase
WARD 3								
JONGENSFONTEIN								
Market Value: R2,052,000	945.78	1 026.19	1 098.10	1 186.02	1 280.95	8%	1 396.23	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl.	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 60A connection (Conventional meter)	321.00	352.20	379.20	381.00	403.80	6%	442.20	10%
Electricity Consumption 750kWh.	847.20	935.75	1 005.30	1 024.05	1 094.00	7%	1 237.00	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	224.87	247.20	265.20	274.75	318.02		356.26	
Monthly Services Account	1 831.07	2 012.90	2 159.45	2 237.25	2 438.12	9%	2 731.31	12%
Total Monthly (Property Rates + Services)	2 776.85	3 039.09	3 257.54	3 423.27	3 719.06	9%	4 127.54	11%
Monthly R/C Increase		262.24	218.45	165.73	295.79		408.47	
STILBAAI-WES								
Market Value: R1,214,500	550.13	596.90	638.73	689.87	745.09	8%	812.14	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 25kl.	130.75	141.25	151.10	163.20	182.80	12%	204.65	12%
Electricity Basic : 60A connection (Conventional meter)	321.00	352.20	379.20	381.00	403.80	6%	442.20	10%
Electricity Consumption 700kWh.	773.65	853.10	916.35	933.40	997.15	7%	1 127.49	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	210.62	231.36	248.17	257.12	297.56		333.20	
Monthly Services Account	1 716.02	1 883.91	2 020.82	2 093.72	2 281.31	9%	2 554.54	12%
Total Monthly (Property Rates + Services)	2 265.15	2 480.81	2 659.55	2 783.59	3 026.40	9%	3 366.68	11%
Monthly R/C Increase		215.67	178.74	124.04	242.81		340.28	
FARM - WARD 3								
Market Value: R680,000								
Category: VAFARA (Agricultural)	80.30	86.93	93.22	100.70	108.74	8%	118.55	9%
Monthly R/C Increase		6.63	6.29	7.48	8.05		9.80	
FARM WARD 3 - AGRI LIFESTYLE								
Market Value: R9,876,500								
Category: Agricultural Lifestyle (Residential)	4 666.77	5 063.55	5 418.36	5 852.19	6 320.59	8%	6 889.43	9%
Monthly R/C Increase		396.79	354.80	433.83	468.41		568.84	



DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % increase	2019/2020	2019/2020 % increase
WARD 4								
WITSAND								
Market Value: R1,673,500	766.97	832.18	890.49	961.79	1 038.77	8%	1 132.26	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl.	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 60A connection (Conventional meter)	321.00	352.20	379.20	381.00	403.80	6%	442.20	10%
Electricity Consumption 700kWh.	773.85	853.10	916.35	933.40	997.15	7%	1 127.49	13%
Basic - Sewerage (Septic tank)	53.00	58.00	61.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	16%
VAT	206.87	227.23	243.78	262.06	303.49		339.83	
Monthly Services Account	1 684.52	1 850.28	1 985.08	2 133.91	2 326.74	9%	2 605.37	12%
Total Monthly (Property Rates + Services)	2 451.49	2 662.46	2 875.57	3 095.70	3 365.81	9%	3 737.63	11%
Monthly R/C Increase		230.97	193.12	220.13	269.81		372.12	
WARD 4								
WITSAND								
Market Value: R1,367,500	622.41	675.33	722.85	780.51	842.98	8%	918.85	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl.	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 60A connection (Conventional meter)	321.00	352.20	379.20	381.00	403.80	6%	442.20	10%
Electricity Consumption 750kWh.	847.20	935.75	1 005.30	1 024.05	1 094.00	7%	1 237.00	13%
Basic - Sewerage (Septic tank)	53.00	58.00	61.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	217.17	238.80	256.24	274.75	318.02		356.26	
Monthly Services Account	1 768.37	1 944.50	2 086.49	2 237.26	2 438.12	9%	2 731.31	12%
Total Monthly (Property Rates + Services)	2 390.78	2 619.83	2 809.13	3 017.76	3 281.10	9%	3 680.16	11%
Monthly R/C Increase		229.05	189.31	208.63	263.34		369.06	
WITSAND - Deernishulp								
Market Value : R1,347,000	411.24	318.06	340.34	189.87	205.07	8%	223.52	9%
Water Basic: 20mm Connection (Indigent Free)	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Consumption: 20kl water (6kl Free)	72.80	78.65	84.13	90.87	101.78	12%	113.95	12%
Electricity Basic : 80Amps (Prepaid basic - free)	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Electricity Consumption 350kWh (50kW free).	278.10	298.50	319.80	325.50	347.70	7%	368.70	6%
Basic - Sewerage	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Basic - Refuse	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
VAT	49.13	52.80	56.55	58.29	67.42		72.40	
Monthly Services Account	400.03	429.95	460.48	474.86	516.90	9%	555.05	7%
Total Monthly (Property Rates + Services)	811.26	748.01	800.82	664.53	721.97	9%	778.57	8%
Monthly R/C Increase		-63.26	52.82	-136.29	57.44		56.60	



2019 -05- 29

Hessequa Municipality

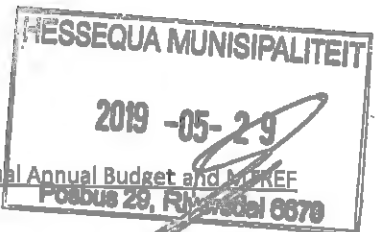
2019/20 Final Annual Budget

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DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increase
WARD 4								
JOE SLOVO PARK								
Market Value : R30,000	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Connection : 20mm	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 20kl.	102.50	110.75	118.45	127.95	143.30	12%	160.45	12%
Electricity Basic : 40A connection (Prepaid meter)	101.97	133.40	144.50	155.00	174.00	12%	207.83	19%
Electricity Consumption 300kWh.	268.70	288.05	308.40	313.85	335.25	7%	379.07	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	105.30	117.35	125.63	133.81	157.88		179.15	
Monthly Services Account	857.47	955.55	1 022.98	1 089.81	1 210.43	11%	1 373.50	13%
Total Monthly (Property Rates + Services)	857.47	955.55	1 022.98	1 089.81	1 210.43	11%	1 373.50	13%
Monthly R/C Increase		98.07	67.43	66.63	120.82		163.07	
SLANGRIMER								
Market Value: R43,000	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Connection : 20mm	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 15kl.	74.25	80.25	85.80	92.70	103.80	12%	116.25	12%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	49.48	54.08	57.65	63.24	75.57		84.48	
Monthly Services Account	402.71	440.33	469.45	514.94	579.37	13%	647.74	12%
Total Monthly (Property Rates + Services)	402.71	440.33	469.45	514.94	579.37	13%	647.74	12%
Monthly R/C Increase		37.62	29.13	45.49	64.43		68.37	
WARD 5 - HEIDELBERG (EMPTY STAND)								
Property Market Value : R250,000	164.65	178.65	191.15	206.45	255.92	24%	278.95	9%
Availability Fees								
Electricity	205.00	221.00	236.92	255.83	276.25	8%	312.42	13%
Water	90.00	97.00	102.75	111.00	119.83	8%	134.25	12%
Sewerage	108.00	118.00	122.67	132.50	143.08	8%	156.00	9%
VAT	56.42	61.04	64.73	69.91	80.88		90.40	
Monthly Services Account	459.42	497.04	527.06	569.24	620.04	9%	693.07	12%
Total Monthly (Property Rates + Services)	624.07	675.69	718.21	775.69	875.96	13%	972.02	11%
Monthly R/C Increase		51.62	42.52	57.48	100.27		96.06	
WARD 5								
HEIDELBERG-008								
Market Value: R153,500	48.90	53.05	58.77	61.32	66.22	8%	72.18	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 25kl.	130.75	141.25	151.10	163.20	182.80	12%	204.85	12%
Electricity Basic : 40A connection (Conventional meter)	240.75	285.28	307.15	329.00	369.00	12%	442.20	20%
Electricity Consumption 500kWh.	501.95	547.80	587.75	598.50	639.35	7%	722.92	13%
Basic - Sewerage (Septic tank)	53.00	58.00	61.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	153.64	170.85	183.12	202.98	238.67		272.52	
Monthly Services Account	1 281.09	1 391.18	1 491.12	1 652.66	1 829.82	11%	2 089.29	14%
Total Monthly (Property Rates + Services)	1 298.99	1 444.23	1 547.89	1 713.97	1 896.05	11%	2 161.47	14%
Monthly R/C Increase		144.24	103.66	166.08	182.07		265.42	

DETAIL: PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increase
WARD 6								
RIVERSDAL								
Market Value: R1,467,500	689.65	726.59	777.50	839.75	906.98	8%	988.59	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl	159.00	171.75	183.75	198.46	222.30	12%	248.85	12%
Electricity Basic : 45A connection (Conventional meter)	240.75	285.28	307.15	329.00	369.00	12%	442.20	20%
Electricity Consumption 750kWh.	847.20	935.75	1 005.30	1 024.05	1 094.00	7%	1 237.00	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	213.63	237.83	255.11	267.47	312.80		356.26	
Monthly Services Account	1 739.58	1 936.61	2 077.31	2 177.97	2 398.10	10%	2 731.31	14%
Total Monthly (Property Rates + Services)	2 409.23	2 663.20	2 854.81	3 017.72	3 305.06	10%	3 719.90	13%
Monthly R/C Increase		253.96	191.61	162.91	287.34		414.84	
WARD 6 - RIVERSDAL (EMPTY STAND)								
Property Market Value : R350,000	246.98	267.98	286.73	309.68	383.88	24%	418.43	9%
Availability Fees								
Electricity	205.00	221.00	236.92	255.83	276.25	8%	312.42	13%
Water	90.00	97.00	102.75	111.00	119.83	8%	134.25	12%
Sewerage	108.00	118.00	122.67	132.50	143.08	8%	156.00	9%
VAT	56.42	61.04	64.73	69.91	80.88		90.40	
Monthly Services Account	459.42	497.04	527.06	589.24	620.04	9%	693.07	12%
Total Monthly (Property Rates + Services)	706.40	765.02	813.79	878.92	1 003.92	14%	1 111.49	11%
Monthly R/C Increase		58.62	48.77	65.13	125.00		107.58	
WARD 6								
RIVERSDAL								
Market Value: R687 500	291.72	316.52	338.70	365.82	395.10	8%	430.65	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 25kl	130.75	141.25	151.10	163.20	182.80	12%	204.65	12%
Electricity Basic : 40A connection (Prepaid meter)	101.34	133.40	144.50	155.00	174.00	12%	207.83	19%
Electricity Consumption 500kWh.	501.95	547.80	587.75	598.50	639.35	7%	722.92	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	141.83	157.98	169.31	178.60	209.42		237.36	
Monthly Services Account	1 154.87	1 286.43	1 378.66	1 454.30	1 605.57	10%	1 819.76	13%
Total Monthly (Property Rates + Services)	1 446.58	1 602.95	1 717.36	1 820.12	2 000.67	10%	2 250.41	12%
Monthly R/C Increase		156.37	114.40	102.76	180.55		249.75	





Hessequa Municipality

2019/20 Final Annual Budget and MPRF

Poebus 29, Roversdal 8670

DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increase
WARD 7 RIVERSDAL								
Market Value: R2,404,500	1 112.31	1 206.88	1 291.44	1 394.85	1 508.49	8%	1 642.07	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 80A connection (Conventional meter)	448.00	530.85	630.65	588.00	637.00	12%	752.00	18%
Electricity Consumption 650kWh.	700.10	770.45	827.40	842.75	900.30	7%	1 017.98	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	221.77	249.04	261.49	275.55	323.94		369.87	
Monthly Services Account	1 806.87	2 027.89	2 129.29	2 243.78	2 483.64	11%	2 836.70	14%
Total Monthly (Property Rates + Services)	2 918.18	3 234.77	3 420.74	3 638.59	3 990.03	10%	4 477.77	12%
Monthly R/C Increase		316.59	185.97	217.85	351.43		487.74	
WARD 7 RIVERSDAL								
Market Value: R685,500	243.53	264.24	282.75	305.39	329.83	8%	359.52	8%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl	159.00	171.75	183.75	198.45	222.30	12%	248.85	12%
Electricity Basic : 60A connection (Prepaid meter)	134.31	164.56	178.28	179.07	189.79	6%	207.83	10%
Electricity Consumption 600kWh.	626.55	687.80	738.45	752.10	803.45	7%	808.47	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	167.84	186.22	199.70	208.41	242.33		271.82	
Monthly Services Account	1 388.70	1 516.33	1 626.16	1 697.03	1 857.87	9%	2 083.97	12%
Total Monthly (Property Rates + Services)	1 610.23	1 780.56	1 908.92	2 002.42	2 187.71	9%	2 443.49	12%
Monthly R/C Increase		170.33	128.35	93.50	185.29		255.79	
WARD 8 RIVERSDAL								
Market Value: R341,500	137.71	149.42	159.89	172.89	186.51	8%	203.30	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 20kl	102.50	110.75	118.45	127.95	143.30	12%	160.45	12%
Electricity Basic : 60A connection (Prepaid meter)	134.31	164.56	178.28	179.07	189.79	6%	207.83	10%
Electricity Consumption 500kWh.	501.95	547.80	587.75	598.50	639.35	7%	722.92	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	146.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	15%	148.00	15%
VAT	142.49	158.08	169.46	177.03	205.87		230.73	
Monthly Services Account	1 180.25	1 287.19	1 379.92	1 441.55	1 578.31	9%	1 768.93	12%
Total Monthly (Property Rates + Services)	1 297.95	1 438.60	1 539.81	1 614.24	1 764.82	9%	1 972.23	12%
Monthly R/C Increase		138.65	103.21	74.43	150.58		207.41	
WARD 8 MORESTOND (Dsernlehu)								
Market Value: R85,500	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Basic: 20mm Connection	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Water Consumption = 15kl	44.55	48.15	51.48	55.82	62.28	12%	69.75	12%
Electricity Basic : 40A connection (Prepaid meter)	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Electricity Consumption 350kWh (50kW free).	278.10	298.50	319.80	325.50	347.70	7%	368.70	8%
Basic - Sewerage	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
Basic - Refuse	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!
VAT	45.17	48.53	51.98	53.38	61.50		65.77	
Monthly Services Account	367.82	395.18	423.28	434.48	471.48	9%	504.22	7%
Total Monthly (Property Rates + Services)	367.82	395.18	423.28	434.48	471.48	9%	504.22	7%
Monthly R/C Increase		27.36	28.08	11.22	37.00		32.74	

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Hessequa Municipality

2019/20 Final Annual Budget and Main Budget 20, 11/05/2019 0670

DETAIL : PROPERTY RATES AND SERVICES	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2018/2019 % Increase	2019/2020	2019/2020 % Increase
WARD 8								
ALOERIDGE								
Market Value: R85,500	18.77	18.20	19.47	21.03	22.71	8%	24.78	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 20kl	102.50	110.75	118.45	127.95	143.30	12%	160.45	12%
Electricity Basic : 40A connection (Prepaid meter)	101.34	133.40	144.50	155.00	174.00	12%	207.83	18%
Electricity Consumption 500kWh.	501.95	547.80	587.75	598.50	639.35	7%	722.92	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	148.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	16%	148.00	15%
VAT	137.87	153.71	164.74	173.66	203.50		230.73	
Monthly Services Account	1 122.66	1 251.66	1 341.44	1 414.11	1 560.16	10%	1 768.93	13%
Total Monthly (Property Rates + Services)	1 139.43	1 269.86	1 360.91	1 435.14	1 582.86	10%	1 793.69	13%
Monthly R/C Increase		130.43	91.05	74.23	147.72		210.83	
WARD 9								
HEIDELBERG DORP								
Market Value: R85,500	18.77	18.20	19.47	21.03	22.71	8%	24.78	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 20kl	102.50	110.75	118.45	127.95	143.30	12%	160.45	12%
Electricity Basic : 40A connection (Prepaid meter)	101.34	133.40	144.50	155.00	174.00	12%	207.83	18%
Electricity Consumption 500kWh.	501.95	547.80	587.75	598.50	639.35	7%	722.92	13%
Basic - Sewerage	108.00	118.00	125.00	135.00	148.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	16%	148.00	15%
VAT	137.87	153.71	164.74	173.66	203.50		230.73	
Monthly Services Account	1 122.66	1 251.66	1 341.44	1 414.11	1 560.16	10%	1 768.93	13%
Total Monthly (Property Rates + Services)	1 139.43	1 269.86	1 360.91	1 435.14	1 582.86	10%	1 793.69	13%
Monthly R/C Increase		130.43	91.05	74.23	147.72		210.83	
FARM - WARD 9								
Market Value: R690,000								
Category: VAFARA (Agricultural)	80.30	86.93	93.22	100.70	108.74	8%	118.55	9%
Monthly R/C Increase		6.63	6.29	7.48	8.06		9.80	
FARM WARD 9 - AGRILIFESTYLE								
Market Value: R8,678,500								
Category: Agricultural Lifestyle (Residential)	4 666.77	5 063.55	5 418.38	5 852.19	6 320.59	8%	6 889.43	9%
Monthly R/C Increase		396.79	354.80	433.83	468.41		568.84	
WARD 9								
HEIDELBERG								
Market Value: R1,170,500	529.34	574.35	614.59	663.80	716.93	8%	781.48	9%
Water Basic: 20mm Connection	90.00	97.00	104.00	112.00	125.00	12%	140.00	12%
Water Consumption = 30kl	159.00	171.75	183.75	198.45	222.30	12%	248.55	12%
Electricity Basic : 60A connection (Conventional meter)	321.00	352.20	379.20	381.00	403.80	6%	442.20	10%
Electricity Consumption 750kWh.	847.20	935.75	1 005.30	1 024.05	1 094.00	7%	1 237.00	13%
Basic - Sewerage (Septic Tank)	53.00	58.00	61.00	135.00	148.00	8%	159.00	9%
Basic - Refuse	81.00	91.00	97.00	112.00	129.00	16%	148.00	15%
VAT	217.17	238.80	256.24	274.75	318.02		356.28	
Monthly Services Account	1 796.37	1 944.80	2 086.49	2 237.26	2 438.12	9%	2 731.31	12%
Total Monthly (Property Rates + Services)	2 297.71	2 516.86	2 701.08	2 901.05	3 155.05	9%	3 512.78	11%
Monthly R/C Increase		221.14	182.23	199.97	254.00		367.71	

1.8.6 CARAVAN PARKS



The operational budget for the 2019/2020 financial year makes provision for the following tariff increases with effect 1 July 2019:

- ❖ In-season : Between 6 – 7.5%
- ❖ Out of season : Between 6 – 7.5%
- ❖ Takkieskloof Caravan Park:

A Tender was advertised during March 2019 to request development proposals from developers to upgrade and operate the Caravan Park for a period of 30 years.

(All tariffs were rounded to the nearest R10)

Revenue and Expenditure Caravan Parks

The net deficit shows an decrease from R2.673 million in 2018/19 financial year to R1.254 million in the 2019/20 financial year. The main reason for the decrease in the operating deficit are due to the increase in budgeted income based on an increase in the occupation levels of the Caravan Parks.

Credit Control and Debt Collection Policy & By-Law

Section 18(4) presently reads as follows:-

"Only cash, electronic transfers (EFT), credit- or debit cards will be accepted as payment at the municipal resorts, regardless of whether a customer has a municipal account."

Due to the high cost of transfer of cash from pay points to the bank no cash will be accepted as payment at municipal resorts from 1 July 2019. This section will have to be amended by withdrawing the word "cash". This policy will be workshop with Council during April 2019 to amend this.

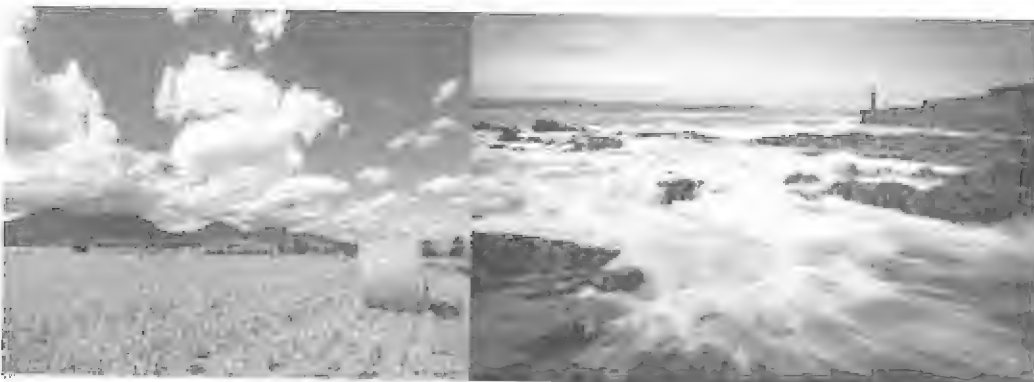
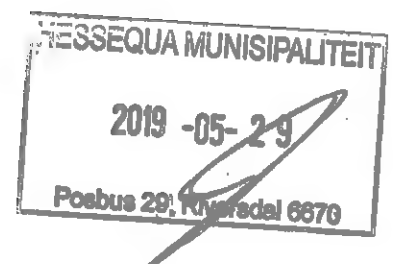
CARAVAN PARKS	Budget 2018/19	Budget 2019/20
Total Caravan Parks Revenue	11 229 402	13 605 960
Total Caravan Parks Expenditure	13 904 099	14 859 729
NETT PROFIT / (LOSS)	-2 674 697	-1 253 769
Percentage Gross Loss	-19.24%	-8.44%

Through the operational budget, the following projects will be funded at the various camps:

- Contractors will be appointed to perform cleaning and security services.
- Contractors will be appointed to perform various maintenance works on Municipal buildings.
- Materials and equipment will be purchased to perform maintenance activities.
- Cleaning material will be purchased.
- Temporary wages and overtime will be paid to temporary workers and employees.

The following are a summary of the budgeted amounts on the capital budget for the different caravan parks in the 2019/2020 financial year:

CAMP	AMOUNT
PREEKSTOEL	R 685 000
JONGENSFONTEIN	R 144 000
ELLENSRUST	R 215 000
GOURITSMOND	R 50 000
MIDDELKAMP	R 30 000
HESSEQUA	R 565 000



1.9 OPERATING EXPENDITURE FRAMEWORK

The following table is a high level summary of the 2019/20 budget and MTREF (classified per main type of operating expenditure):

Table A4: Summary of operating expenditure by standard classification Item- (NT – supporting tables)

WC042 Hessequa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Financial Performance (Revenue and Expenditure)											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Expenditure By Type											
Employee related costs	2	116 414	127 791	150 458	168 365	165 198	165 186	165 186	168 234	198 990	212 769
Remuneration of councillors		6 047	8 484	7 202	8 050	8 050	8 050	8 050	8 330	8 814	9 538
Debt Impairment	3	36 258	47 471	34 346	59 530	59 530	59 530	59 530	41 606	42 736	44 967
Depreciation & asset impairment	2	24 836	25 594	30 044	35 960	35 960	35 960	35 960	34 743	38 035	38 119
Finance charges		13 695	17 723	18 822	20 698	21 180	21 180	21 180	21 536	26 859	27 923
Bulk purchases	2	85 599	87 870	89 362	102 049	94 197	94 197	94 197	108 897	125 893	142 982
Other materials	8	—	20 070	19 236	19 459	27 202	27 202	27 202	29 633	31 948	34 696
Contracted services		4 504	38 735	32 193	29 303	35 872	35 872	35 872	32 604	47 736	55 482
Transfers and subsidies		—	865	1 055	887	1 155	1 155	1 155	1 247	1 480	1 323
Other expenditure	4, 5	49 593	18 124	22 055	30 573	30 400	30 400	30 400	32 466	34 088	35 877
Loss on disposal of PPE		218	322	685	—	—	—	—	—	—	—
Total Expenditure		338 178	391 050	405 398	472 975	478 742	478 742	478 742	497 391	554 888	603 685

1.9.1 Expenditure by Type

1.9.1.1 Employee Related Costs

The budgeted allocation for employee related costs for the 2019/20 financial year totals R186,234 million which is 37,44% of the total operating expenditure. The current forecast from the Reserve Bank for 2019 is an increase of 4.88% on average. During the compilation of the budget, the CPI of $\pm 5.0\%$ plus 1.5% as per agreement was used. The correct % increase of 6.5% was used in the compilation of the final budget.

Include in the budget is an amount of R3 350 335 for 9 new posts, the amendment of 1 existing post and 2 post for Council. There were requests for many more posts than that were approved. The additional are however regarded as necessary to ensure that the municipality can at least maintain its high standard of service delivery.

1.9.1.2 Remuneration of Councillors

The budgeted allocation for remuneration of councillors for the 2019/20 financial year is R8,330 million. An annual increase of 7.0% has been included

1.9.1.3 Depreciation & Asset Impairment

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of asset rate consumption. Budget appropriations in this regard totals R34,743 million for the 2019/20 financial year and equates to 6.99% of the total operating expenditure.

1.9.1.4 Finance Charges

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 4.33% (R21,539 million) of operating expenditure. A provision of R7.021 million for Landfill sites is also included for the 2019/20 financial year.

1.9.1.5 Bulk Purchases

The Budget for Bulk purchases 2019/20 is R108,897 million, which is 21.89% of Total Operating Expenditure. Bulk purchases are directly informed by the purchase of electricity from Eskom. Electricity tariffs of Eskom will increase by 15.63% as from 1 July 2019. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions.

1.9.1.6 Debt Impairment

Debt Impairment for 2018/19 for Traffic Fines is R54,064 million and R35,000 for 2019/20 million. For Rates and Services R5,466 million for 2018/19 and R6,606 million for 2019/20.

1.9.1.7 Contracted Services

Contracted services consists of Life Savers, Recycling of Refuse, Fire Brigade, Cleaning & Security Services for Camps, fraud line as well as Traffic fines outsourced. The total budget for Contracted Services 2019/20 is R32,694 million which shows a 8.86% decrease when compared to the 2018/19 adjustment budget. The decrease is mainly because of less housing grants.

Table SA 1: Contracted Services – (NT – supporting tables) SA1

WC042 Hessequa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

2018/19 Medium Term Revenue & Expenditure Framework											
Supporting Table C-1: Supporting Detail to 'Budgeted Financial Performance'											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
Contracted services											
Contractors		4 504	38 735	32 193	9 015	13 577	13 577	13 577	10 842	30 212	30 096
Outsourced Services					3 427	3 323	3 323	3 323	4 780	4 616	4 668
Consultants & Professionals					15 989	18 972	18 972	18 972	11 072	12 908	11 885
sub-total	1	4 504	38 735	32 193	28 303	35 872	35 872	35 872	32 694	47 736	35 482

1.9.1.8 Other Expenditure

Other expenditure comprises various line items relating to the daily operations of the municipality. The group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. The total budget for Other Expenditure for 2019/20 is R32,465 million which shows a 6.8% increase when compared to 2018/19 adjustment budget.

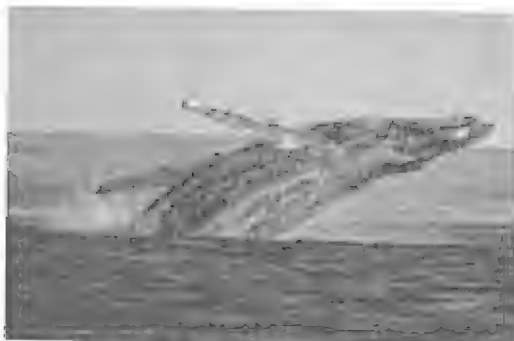


Table SA1: Other Expenditure by Type – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Supporting Table C-A: Supporting detail to 'Budgeted Financial Performance'							
Description	Ref	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand							
REVENUE ITEMS:							
<u>Other Expenditure By Type</u>							
Collection costs							
Contributions to 'other' provisions							
Consultant fees							
Audit fees							
General expenses	3	30 400	30 400	30 400	9 480	9 475	9 910
Operating Leases		1 429	1 429	1 429	1 518	1 640	1 623
Audit fees		3 898	3 898	3 898	4 328	4 761	5 237
Workmens Compensation Fund		1 392	1 392	1 392	1 380	1 477	1 580
Skills development Fund Levy		1 036	1 036	1 036	1 406	1 504	1 609
Protective Clothing		1 195	1 195	1 195	1 306	1 384	1 466
Membership fees		1 559	1 559	1 559	1 620	1 720	1 820
Advertising		540	540	540	595	617	636
Communication		3 192	3 192	3 192	2 575	2 666	2 795
System Advisor		1 481	1 481	1 481	1 508	1 618	1 736
Software licenses		2 104	2 104	2 104	2 406	2 558	2 615
Travel & Subsistence		1 927	1 927	1 927	2 203	2 360	2 548
Insurance		1 771	1 771	1 771	2 140	2 288	2 292
Total 'Other' Expenditure	1	51 925	51 925	51 925	32 466	34 068	35 877

1.9.2 Priority given to repairs and maintenance

The Statement of Performance does not have a line item for repairs and maintenance. As per the mSCOA chart, expenditure items are coupled to projects. The following has been included in the draft budget for repairs and maintenance for the current year, as well as the MTREF period.

WC042 Hessequa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Section 4: Supporting Table 5A1: Supporting detail to 'Budgeted Financial Performance'											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
Repairs and Maintenance	3										
by Expenditure Item											
Employee related costs			46 352	51 250	58 687	58 202	58 202	58 202	65 352	70 619	75 853
Other materials		7 646	7 628	7 685	5 719	5 709	5 709	5 709	6 534	6 963	7 416
Contracted Services		7 790	8 398	8 893	10 931	11 699	11 699	11 699	10 379	12 626	12 265
Other Expenditure		250	1 154	1 326	1 367	1 125	1 125	1 125	1 312	1 402	1 497
Total Repairs and Maintenance Expenditure	9	15 686	63 533	69 154	76 704	76 735	76 735	76 735	83 578	91 709	97 022

The norm for repairs and maintenance against the carrying value of PPE, Investment Property and Intangible Assets is 8%. If employee related cost is taken into account, the municipality's ratio is 8.50% for 2019/20 and 9.03% and 9.15% for the respective outer years. This is well within the norm.

1.9.3 **Free Basic Services: Basic Social Services Package**

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. The target is to register the poor. Details relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table A10 (Basic Service Delivery Measurement) on page 76.

The cost of the social package of the registered indigent households is financed by National Government through the Local Government equitable share received in terms of the annual Division of Revenue Act.

The following subsidies and rebates are recommended:

SUBSIDIES TO INDIGENT HOUSEHOLDS:

CATEGORY A:

- Income per household – R3 500 p.m.
- Water – 6kl per household - free
- Electricity – 50KwH per household – free
- 100% Rebate – Property Rates, Sewerage, Refuse and Water – Basic Fees

CATEGORY B:

- Income per household – R3 501 p.m. – R4 000 p.m.
- Water – 6kl per household - free
- Electricity – 50KwH per household – free
- 50% Rebate – Property Rates, Sewerage, Refuse and Water – Basic Fees

CATEGORY C - OLD AGE HOMES

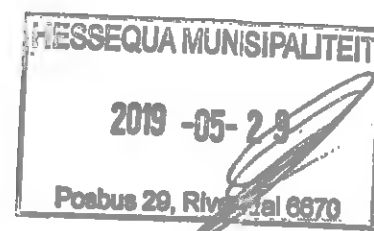
- R150 per person per month that qualify.

CATEGORY D – TENANTS NOT RECEIVING MUNICIPAL ACCOUNTS

- As per category A and B

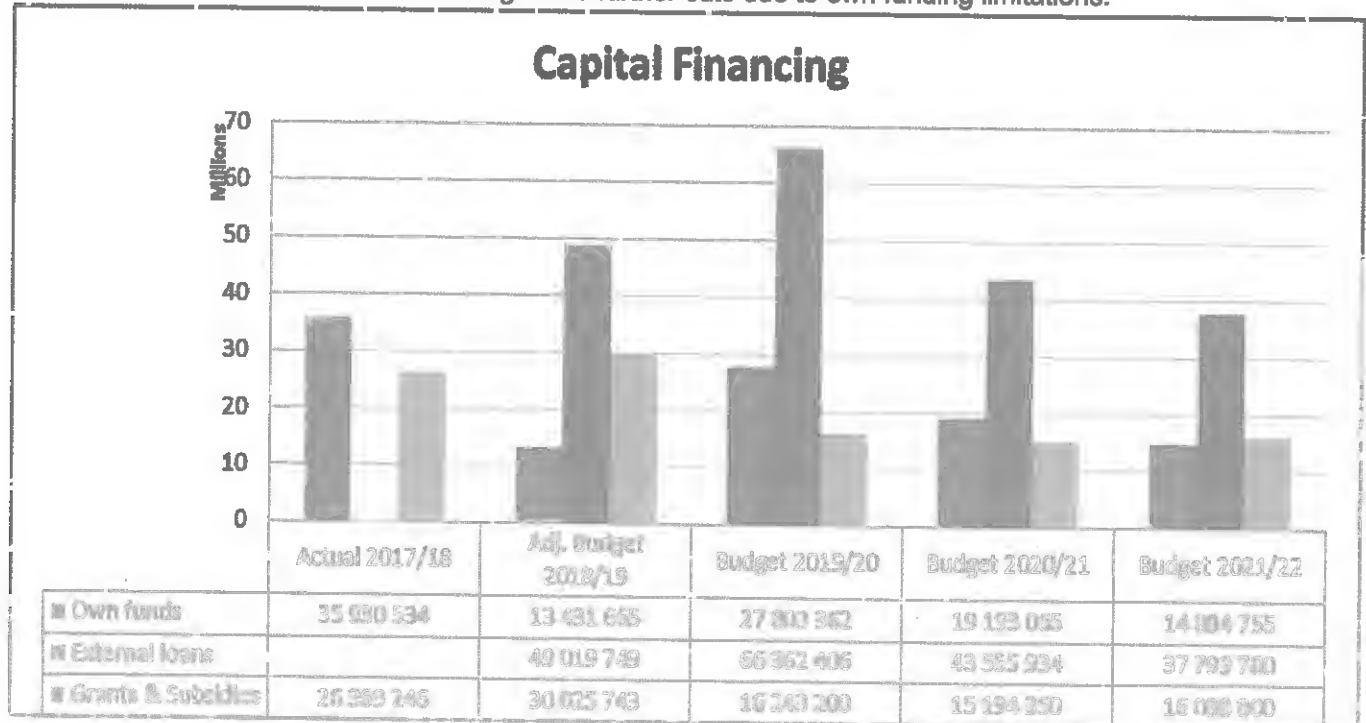
CATEGORY E – CHURCHES

- 100% of basic services if 50% of the church congregation qualifies for indigent.



1.10 CAPITAL EXPENDITURE

The Draft Capital Budget started with R93 808 920 in November 2018 and was later reduced by Council and management to R72 654 150. For the final budget it was increased to the present R109 908 968, with roll overs of R34 452 818 from 2018/19 budget and further cuts due to own funding limitations.



The total capital budget of R110 408 968 for 2019/20 shows an increase of R17 931 811 compared to the adjusted capital budget for 2018/19 of R92 477 157.

The following is included in on the budget:

- + R12,967 million funded by MIG
- + R0,330 million funded by FMG
- + R 1,985 million funded by INEP
- + R0,131 million funded by Library Grants
- + R0,830 million funded for Fire Brigade
- + R27,803 million projects funded by CRR (including R4,960 million roll over)
- + R66,362 million projects funded by Borrowing (including R29,493 million roll over)

Financing of the Capital Budget

The following table give a breakdown of the sources and percentage (%) of finance of the draft 2019/2020 MTREF budget.

	2019/20	%	2020/21	%	2021/22	%
Own funds	27 803 362	25.18	19 193 065	24.62	14 894 755	21.67
External loans	66 362 406	60.11	43 555 934	55.88	37 799 700	54.99
Grants & Subsidies	16 243 200	14.71	15 194 350	19.49	16 038 800	23.33
	110 408 968		77 943 349		68 733 255	

It is clear that the main source of funding will be from external loans.

After the approval of the Draft Budget the following changes in the capital budget was made by Management:-

Vote Number	Project description	Ward	Ref	Fund	Budget 2019/20	Reason
	Total Draft Budget - 2019/20				100 766 968	
69106420420IFV30ZZ10	Double Cab Truck Tipper - Public Works - S/B	1,3	S/B	CRR	600 000	Roll Over from 2018/19
71106420420IFV33ZZ02	Suction Tanker - Sewerage - A/B	2	A/B	CRR	1 100 000	Roll Over from 2018/19
69106420420IFV36ZZ11	1 X 5m3 Tipper - Public Works - H/B	4,5	H/B	CRR	700 000	Roll Over from 2018/19
69106420420IFV37ZZ10	1 X 5m3 Tipper - Public Works - S/B	1,3	S/B	CRR	700 000	Roll Over from 2018/19
69106420420IFV39ZZ02	Multi-purpose Loader - Public Works - A/B	2	A/B	CRR	1 300 000	Roll Over from 2018/19
69106458020IFJE5ZZ13	Double Axle trailer with rails - Public Works - R/D	6,7,8	R/D	CRR	150 000	Roll Over from 2018/19
63106473520BBQHZZ10	Upgrading of Sportsfields fencing - S/B	1,3	S/B	Loan	250 000	Roll Over from 2018/19
64168473520BBQJ1ZZ06	Upgrading of swimming pools - De Mist - Riversdal	6	R/D	Loan	200 000	Roll Over from 2018/19
73106446020BBS16ZZ13	Riversdale Low Level Res Rehabilitation	6,7,8	R/D	Loan	1 500 000	Roll Over from 2018/19
73106446020BBS58ZZ01	Sand Filters - Gouritsmond	1	G/M	Loan	750 000	Roll Over from 2018/19
74106420420BBV06ZZ10	Cherry Picker - Electricity - S/B	1,3	S/B	Loan	1 400 000	Roll Over from 2018/19
74106430420BBM10ZZ10	INSTALLATION OF NEW TRANSFORMER - ELEC - S/B	1,3	S/B	Loan	500 000	Roll Over from 2018/19
61106473520IFQY1ZZ04	Fencing of cemeteries - Slangrivier	4	S/R	CRR	-200 000	Replace with toilet project
	Building of toilets & Waterpoints at cemetery - Slangrivier	4	S/R	CRR	200 000	Replace the fencing project
	2 X Laptop - Interns - Finance	HQ	H/Q	FMG	-28 000	Existing Laptops still working
	Budget Tool - Budget - Finance	HQ	H/Q	FMG	330 000	Budget Tool to comply with NT
	Budget Tool - Budget - Finance	HQ	H/Q	CRR	170 000	Budget Tool to comply with NT
	Total Final Budget - 2019/20				110 408 968	

The comparison between the MTREF Capital Budget and the Financial Plan is set out on Pg. 20 of this report.



The following tables reflects the capital budget per ward and per town. Information regarding wards has been compiled from information received from the respective departments.

2019/20 MTREF Capital Budget per Ward

WARDS	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Ward 1	9 372 500	5 203 300	10 913 800	12 312 000	4 302 000
Ward 2	9 478 812	1 555 000	818 300	1 035 120	1 058 500
Ward 3	2 548 500	1 493 550	498 000	1 685 000	1 350 000
Ward 4	8 513 840	6 090 580	4 524 400	3 318 500	2 750 000
Ward 5	525 000	0	0	1 500 000	150 000
Ward 6	1 262 000	0	18 000	8 500 000	0
Ward 7	6 478 000	37 735	1 947 520	15 050 000	0
Ward 8	600 000	601 000	100 000	975 000	100 000
Ward 9	3 110 000	1 700 000	500 000	12 500 000	3 470 000
Ward 7,8	0	0	0	0	0
Ward 6,7,8	15 534 000	15 247 784	5 810 800	12 286 300	32 000
Ward 4,5	4 475 000	3 549 300	3 238 300	1 760 000	590 500
Ward 4,5,9	370 000	0	0	0	0
Ward 1,3	28 212 406	19 074 500	22 999 335	7 632 500	9 540 500
HQ	19 928 910	23 390 600	17 364 800	45 966 500	35 129 700
Ward 6,8	0	0	0	0	0
	110 408 968	77 943 349	68 733 255	124 520 920	58 473 200

2019/20 MTREF Capital Budget per Town

TOWNS	2019/2020	2020/2021	2021/2022	2022/2023	2022/2023
Albertinia	9 028 812	1 555 000	818 300	1 035 120	1 058 500
Heidelberg	8 520 000	5 619 300	3 988 300	9 110 000	4 210 500
Witsand	3 163 840	1 430 580	2 170 600	2 098 500	1 900 000
Riversdal	23 889 000	16 554 319	7 876 320	36 821 300	132 000
Stilbaai	36 164 406	23 892 500	33 778 135	17 049 500	10 984 000
Jongensfontein	191 500	1 484 550	498 000	1 685 000	1 350 000
Gouritsmond	4 227 500	408 300	135 000	2 895 000	2 858 500
Slangrivier	5 210 000	4 190 000	2 123 800	370 000	850 000
Hessequa	20 013 910	22 808 800	17 344 800	53 456 500	35 129 700
	110 408 968	77 943 349	68 733 255	124 520 920	58 473 200



2019 -05-29

Hessequa Municipality

2019/20 Final Annual Budget and MTREF
FOCUS 20: Financial 0070

1.11 ANNUAL BUDGET TABLES - PARENT MUNICIPALITY

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's MTREF Budget to be approved by the Council.

WC042 Hessequa - Table A1 Budget Summary

Description	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
	Amended Outcome	Audited Outcome	Amended Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Financial Performance										
Property rates	85 937	70 988	78 149	84 885	84 885	84 885	84 885	94 887	101 693	109 828
Service charges	173 413	188 858	201 489	213 928	213 928	213 928	233 644	245 124	284 881	288 088
Investment revenue	12 537	18 094	17 989	5 528	5 528	5 528	5 528	8 688	8 723	8 729
Transfers recognised - operational	62 392	62 641	60 345	85 751	82 368	82 368	82 368	58 187	74 894	87 105
Other own revenue	68 226	94 403	86 852	93 210	93 210	93 210	93 210	74 174	78 415	82 914
Total Revenue (excluding capital transfers and contributions)	389 808	435 084	424 704	453 282	456 899	456 899	478 514	481 778	528 607	574 652
Employee costs	118 414	127 791	150 458	165 385	165 196	165 196	165 196	188 234	188 990	212 769
Remuneration of councillors	8 047	8 484	7 202	8 050	8 050	8 050	8 050	8 330	8 914	9 538
Depreciation & asset impairment	24 838	25 894	30 044	35 980	35 980	35 980	35 980	34 743	38 035	38 119
Finance charges	13 695	17 723	18 822	20 699	21 180	21 180	21 180	21 539	26 889	27 923
Materials and bulk purchases	85 599	107 940	108 598	121 399	121 399	121 399	121 399	138 530	167 841	177 676
Transfers and grants	—	865	1 055	987	1 165	1 155	1 155	1 247	1 480	1 323
Other expenditure	92 584	104 553	89 179	119 405	125 802	125 802	125 802	106 786	124 540	138 336
Total Expenditure	338 175	391 060	405 358	472 975	478 742	478 742	478 742	497 391	554 558	603 685
Surplus/(Deficit)	50 432	44 034	19 498	(19 693)	(18 843)	(18 843)	773	(16 612)	(26 051)	(29 033)
Transfers and subsidies - capital (monetary allocation)	27 459	98 771	32 855	118 234	24 288	24 288	24 288	18 243	15 194	18 039
Contributions recognised - capital & contributed asset	—	—	142	1 000	5 737	5 737	5 737	—	—	—
Surplus/(Deficit) after capital transfers & contributions	57 891	139 805	52 493	(3 169)	11 183	11 183	30 798	631	(10 857)	(12 984)
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year	57 891	139 805	52 493	(3 169)	11 183	11 183	30 798	631	(10 857)	(12 984)
Capital expenditure & funds source										
Capital expenditure	85 967	123 138	82 300	100 582	92 477	92 477	92 477	110 408	77 943	88 733
Transfers recognised - capital	31 587	88 954	26 369	16 524	30 028	30 028	30 028	18 243	15 194	18 039
Borrowing	47 539	29 480	27 423	70 694	49 020	49 020	49 020	66 382	43 556	37 800
Internally generated funds	6 841	4 723	8 806	13 385	13 432	13 432	13 432	27 803	19 193	14 883
Total sources of capital funds	85 967	123 138	82 300	100 582	92 477	92 477	92 477	110 408	77 943	88 733
Financial position										
Total current assets	248 831	264 212	278 030	197 955	244 315	244 315	244 315	208 944	189 477	158 442
Total non current assets	712 023	832 135	854 073	931 198	911 147	911 147	911 147	991 983	1 024 280	1 088 394
Total current liabilities	139 813	105 045	97 482	99 842	102 254	102 254	102 254	99 251	107 253	115 607
Total non current liabilities	224 279	238 778	227 632	297 251	258 599	258 599	258 599	308 158	330 916	346 623
Community wealth/Equity	987 972	762 526	804 988	732 080	786 609	786 609	786 609	783 528	775 569	784 606
Cash flow										
Net cash from (used) operating	123 145	118 355	83 370	34 534	44 483	44 483	44 483	18 343	8 452	4 933
Net cash from (used) investing	(88 236)	(120 933)	(61 617)	(91 864)	(89 975)	(89 975)	(89 975)	(91 570)	(80 109)	(50 000)
Net cash from (used) financing	32 176	7 589	(13 672)	55 186	12 789	12 789	12 789	43 190	19 888	12 705
Cash/cash equivalents at the year end	206 785	211 779	219 860	147 705	187 137	187 137	187 137	155 099	121 344	88 982
Cash backing/surplus reconciliation										
Cash and investments available	206 788	211 779	219 860	148 705	187 089	187 089	187 089	155 099	134 752	102 340
Application of cash and investments	80 969	34 448	18 827	30 337	22 976	22 976	25 155	17 174	22 818	28 200
Balance - surplus (shortfall)	128 717	177 332	203 034	118 368	164 114	164 114	161 934	137 928	111 936	74 140
Asset management										
Asset register summary (MDV)	712 008	832 122	854 063	931 188	911 137	911 137	911 137	991 953	1 024 270	1 088 384
Depreciation	24 838	25 894	30 031	35 980	35 980	35 980	35 980	34 743	38 035	38 119
Renewal and Upgrading of Existing Assets	94 438	112 569	30 307	58 489	45 927	45 927	45 927	69 154	42 539	29 277
Repairs and Maintenance	15 686	83 533	89 154	76 704	76 735	76 735	76 735	83 678	81 709	97 022

WC042 Hessequa - Table A1 Budget Summary

Description	2016/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Free services										
Cost of Free Basic Services provided	15 832	17 047	17 867	19 615	19 615	19 815	23 078	23 078	25 484	27 488
Revenue cost of free services provided	12 286	12 954	14 037	16 054	16 054	16 054	16 444	16 444	17 766	19 182
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

Explanatory notes to Table A1: - Budget Summary

- Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
- The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
- Financial management reforms emphasize the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - The operating deficit before transfers for the 2018/2019 and 2019/2020 MTREF financial periods is set out in the table below.
 - Capital expenditure is balanced by capital funding sources, of which
 - Government and other transfers is reflected on the Financial Performance Budget;
 - Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
 - Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the net cash from investing on the Cash Flow Budget.
- The Cash backing/surplus reconciliation shows an increase in 2020/21 and a decrease over the last 2 years of the MTREF period.

WC042 Hessequa - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash and Investments available											
Cash/cash equivalents at the year end	1	208 785	211 779	219 880	147 705	187 137	187 137	187 137	155 088	134 844	102 482
Other current investments > 90 days		0	(0)	(0)	(1 000)	(48)	(48)	(48)	(0)	(92)	(142)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and Investments available:		208 785	211 779	219 880	146 705	187 089	187 089	187 089	155 088	134 752	102 340
Application of cash and Investments											
Unspent conditional transfers		89 967	21 251	12 680	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	10 102	13 197	4 146	30 337	22 975	22 975	25 155	17 174	22 816	28 200
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and Investments:		80 069	34 448	16 827	30 337	22 975	22 975	25 155	17 174	22 816	28 200
Surplus(shortfall)		128 717	177 532	203 054	116 368	164 114	164 114	161 934	137 914	111 936	74 140

Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification) – (NT – supporting tables)

WC042 Hessequa - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional										
<i>Governance and administration</i>		118 480	132 877	140 983	141 273	141 864	141 864	157 518	187 558	179 749
Executive and council		32 839	35 987	38 432	42 182	42 199	42 199	45 373	48 779	52 540
Finance and administration		85 841	98 910	102 531	99 091	99 665	99 665	112 145	118 777	127 209
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		73 352	105 408	75 526	93 987	100 411	100 411	76 674	92 751	111 711
Community and social services		8 952	7 634	8 682	9 484	9 720	9 720	9 581	11 971	11 013
Sport and recreation		10 050	11 516	12 534	12 183	12 183	12 183	15 788	18 591	17 488
Public safety		46 925	70 424	43 229	71 814	71 876	71 876	48 971	51 771	54 787
Housing		9 425	18 834	11 081	728	6 632	6 632	1 355	12 419	28 465
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		13 395	92 326	17 588	5 667	6 236	6 236	6 004	5 289	5 489
Planning and development		2 588	2 855	4 757	4 445	4 995	4 995	4 717	4 828	5 011
Road transport		10 370	88 898	12 455	703	703	703	603	118	118
Environmental protection		457	573	475	519	538	538	684	343	360
<i>Trading services</i>		191 827	199 244	223 823	228 869	241 404	241 404	257 816	278 195	293 742
Energy sources		120 888	129 076	134 198	141 489	141 763	141 763	160 235	173 639	188 395
Water management		28 410	33 555	41 501	37 324	49 585	49 585	41 946	45 254	48 855
Waste water management		30 552	23 852	32 534	31 736	31 738	31 738	32 589	34 955	30 207
Waste management		11 877	12 761	15 390	18 320	18 320	18 320	23 085	24 338	26 284
Other	4	10	-	20	10	10	10	10	10	10
Total Revenue - Functional	2	397 054	530 855	457 820	469 806	489 925	489 925	498 023	543 801	590 701
Expenditure - Functional										
<i>Governance and administration</i>		59 218	81 214	79 768	87 028	88 818	88 818	97 697	103 138	108 883
Executive and council		19 898	21 377	28 432	24 585	25 641	25 641	30 484	32 455	32 817
Finance and administration		38 314	38 667	50 065	80 933	59 672	59 672	65 583	88 924	73 991
Internal audit		1 208	1 180	1 271	1 530	1 504	1 504	1 650	1 759	1 875
<i>Community and public safety</i>		78 695	109 290	91 447	118 870	122 224	122 224	106 154	124 257	138 998
Community and social services		13 035	14 250	15 441	18 223	18 333	18 333	19 656	22 289	22 442
Sport and recreation		15 295	16 075	17 876	21 487	21 050	21 050	23 867	25 323	27 205
Public safety		48 696	81 113	46 072	74 683	74 683	74 683	59 332	82 012	65 909
Housing		3 589	17 762	12 058	2 298	8 177	8 177	3 289	14 623	23 442
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		38 990	42 583	53 525	54 644	54 713	54 713	58 889	62 995	67 292
Planning and development		6 351	8 240	9 376	10 852	11 164	11 164	10 173	10 738	11 440
Road transport		30 740	32 732	42 591	41 816	41 585	41 585	43 800	47 432	50 745
Environmental protection		1 899	1 590	1 557	1 977	1 964	1 964	4 917	4 825	5 107
<i>Trading services</i>		181 414	178 998	178 435	213 132	213 499	213 499	233 040	261 949	286 781
Energy sources		100 828	111 051	78 122	127 122	128 580	128 580	142 784	163 242	182 475
Water management		21 207	23 130	31 514	30 940	31 898	31 898	33 942	37 217	40 341
Waste water management		15 885	17 716	30 910	23 531	23 585	23 585	23 739	26 846	26 654
Waste management		23 694	25 101	38 889	31 538	31 678	31 678	32 566	34 645	35 320
Other	4	958	1 074	1 183	1 502	1 488	1 488	1 812	2 318	1 921
Total Expenditure - Functional	3	336 175	391 850	405 358	472 875	478 742	478 742	497 391	554 658	603 685
Surplus/(Deficit) for the year		57 888	138 995	52 463	(3 189)	11 183	11 183	631	(10 857)	(12 984)

Explanatory notes to Table A2: - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification
2. Note the Total Revenue on this table includes capital revenues (Transfers recognized – capital) and does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is the case for Electricity, Water and Waste Water function. Waste

Management operate at a loss because of the high provision for landfill sites. Tariffs increase by 15% to decrease the loss in 2019/20.

Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote) – (NT – supporting tables)

WC042 Hessequa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year #1 2020/21	Budget Year #2 2021/22
Revenue by Vote	1									
Vote 01 - Office Of The Mm		32 838	35 987	38 432	42 182	42 498	42 498	45 433	46 778	52 340
Vote 02 - Corporate Services		17 860	18 682	20 859	21 438	22 287	22 287	24 016	27 158	27 152
Vote 03 - Financial Services		82 284	92 088	99 374	93 599	93 599	93 599	106 046	113 084	121 308
Vote 04 - Community Services		56 406	87 483	54 467	72 548	78 685	78 686	51 448	84 364	83 312
Vote 05 - Technical Services		204 840	293 248	239 346	235 087	247 602	247 602	285 133	285 236	301 006
Vote 06 - Spatial Plannign & Environmental Managem		3 035	3 428	5 252	4 974	5 243	5 243	5 351	5 181	5 381
Vote 07 - Health		-	-	-	-	-	-	-	-	-
Vote 08 - Planning And Development		-	-	-	-	-	-	-	-	-
Vote 09 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-
Vote 11 - Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 14 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	387 064	530 855	457 820	469 806	489 925	489 925	496 023	543 801	590 701
Expenditure by Vote to be appropriated	1									
Vote 01 - Office Of The Mm		22 002	23 745	31 003	27 639	28 882	28 882	34 885	36 673	37 494
Vote 02 - Corporate Services		31 013	32 008	35 841	45 255	45 663	45 663	46 327	50 337	52 358
Vote 03 - Financial Services		17 418	17 668	24 277	30 506	29 412	29 412	35 816	37 436	39 858
Vote 04 - Community Services		54 454	83 578	62 809	82 587	88 401	88 401	68 572	83 030	96 030
Vote 05 - Technical Services		208 178	224 335	240 611	274 222	273 505	273 505	297 862	331 780	362 280
Vote 06 - Spatial Plannign & Environmental Managem		8 100	9 718	10 816	12 788	12 880	12 880	14 150	15 223	15 866
Vote 07 - Health		-	-	-	-	-	-	-	-	-
Vote 08 - Planning And Development		-	-	-	-	-	-	-	-	-
Vote 09 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-
Vote 11 - Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 14 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	339 175	391 050	405 358	472 975	478 742	478 742	497 391	554 858	603 688
Surplus/(Deficit) for the year	2	37 888	139 805	52 463	(3 169)	11 183	11 183	831	(10 857)	(12 984)

Explanatory notes to Table A3: - Budgeted Financial Performance (revenue and expenditure by municipal vote)

- Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the Municipality

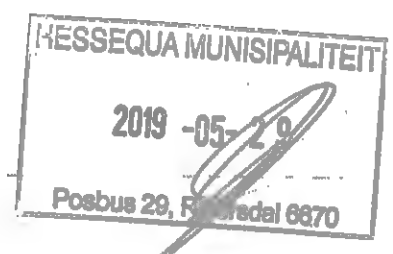


Table A4 - Budgeted Financial Performance (revenue and expenditure) – (NT – supporting tables)**WC042 Hessequa - Table A4 Budgeted Financial Performance (revenue and expenditure)**

C042 Hesseque - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source											
Property rates	2	65 937	70 988	78 149	84 865	84 865	84 865	84 865	94 657	101 693	108 828
Service charges - electricity revenue	2	117 788	128 077	132 153	138 175	138 175	138 175	141 221	157 911	171 272	184 999
Service charges - water revenue	2	28 018	31 145	33 830	36 394	36 394	36 394	37 996	40 967	44 256	47 786
Service charges - sanitation revenue	2	15 985	17 194	20 242	21 197	21 197	21 197	29 053	23 332	25 199	27 214
Service charges - refuse revenue	2	11 612	12 542	15 264	18 162	18 162	18 162	25 274	22 895	24 154	26 087
Rental of facilities and equipment		11 094	2 028	2 607	1 952	1 952	1 952	1 952	2 680	2 871	3 099
Interest earned - external investments		12 837	18 094	17 959	5 528	5 528	5 528	5 528	8 688	8 723	8 729
Interest earned - outstanding debtors		1 035	1 522	1 950	1 573	1 573	1 573	1 573	1 698	1 834	1 981
Dividends received					-	-	-	-			
Fines, penalties and forfeits		44 052	66 507	38 417	67 872	67 872	67 872	67 872	45 040	47 742	50 607
Licences and permits		1 245	1 319	1 420	1 475	1 475	1 475	1 475	1 563	1 657	1 756
Agency services		1 778	1 987	2 218	2 032	2 032	2 032	2 032	2 203	2 247	2 292
Transfers and subsidies		52 392	62 641	60 348	55 751	62 368	62 368	62 368	59 137	74 894	87 105
Other revenue	2	5 240	16 134	19 735	15 808	15 808	15 808	15 808	18 414	19 420	20 484
Gains on disposal of PPE		785	4 906	503	2 500	2 500	2 500	2 500	2 695	2 843	2 694
Total Revenue (excluding capital transfers and contributions)		369 608	435 084	424 794	453 282	459 899	459 899	479 514	481 779	528 607	574 662
Expenditure By Type											
Employee related costs	2	116 414	127 791	150 458	165 365	165 196	165 186	165 186	188 234	198 990	212 769
Remuneration of councillors		6 047	6 484	7 202	8 050	8 050	8 050	8 050	8 330	8 914	9 538
Debt impairment	3	38 288	47 471	34 348	59 530	59 530	59 530	59 530	41 606	42 736	44 967
Depreciation & asset impairment	2	24 836	25 594	30 044	35 960	35 960	35 960	35 960	34 743	36 035	38 119
Finance charges		13 695	17 723	18 822	20 688	21 180	21 180	21 180	21 539	26 859	27 923
Bulk purchases	2	85 599	87 870	89 362	102 049	94 197	94 187	94 197	108 897	125 893	142 982
Other materials	8	-	20 070	19 236	18 459	27 202	27 202	27 202	29 633	31 948	34 696
Contracted services		4 504	38 735	32 193	29 303	35 872	35 872	35 872	32 694	47 736	55 492
Transfers and subsidies		-	865	1 055	987	1 155	1 155	1 155	1 247	1 480	1 323
Other expenditure	4, 5	49 593	18 124	22 055	30 573	30 400	30 400	30 400	32 466	34 068	35 877
Loss on disposal of PPE		218	322	585					-	-	-
Total Expenditure		339 175	391 050	406 358	472 975	478 742	478 742	478 742	497 391	554 656	603 685
Surplus/(Deficit)											
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		30 432	44 034	19 436	(19 693)	(18 843)	(18 843)	773	(15 612)	(26 051)	(28 023)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Transfers and subsidies - capital (in-kind - all)	6	27 456	95 771	32 885	15 524	24 288	24 288	24 288	16 243	15 194	16 039
		-	-	-	-	237	237	237	-	-	-
		-	-	142	1 000	5 560	5 560	5 500	-	-	-
Surplus/(Deficit) after capital transfers & contributions		57 888	139 805	52 463	(3 169)	11 183	11 183	30 798	631	(10 857)	(12 984)
Taxation		57 888	139 805	52 463	(3 169)	11 183	11 183	30 798	631	(10 857)	(12 984)
Surplus/(Deficit) after taxation		57 888	139 805	52 463	(3 169)	11 183	11 183	30 798	631	(10 857)	(12 984)
Attributable to minorities		57 888	139 805	52 463	(3 169)	11 183	11 183	30 798	631	(10 857)	(12 984)
Surplus/(Deficit) attributable to municipality		57 888	139 805	52 463	(3 169)	11 183	11 183	30 798	631	(10 857)	(12 984)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		57 888	139 805	52 463	(3 169)	11 183	11 183	30 798	631	(10 857)	(12 984)

Explanatory notes to Table A4: - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue excluding capital transfers and contributions is R481,779 million in 2019/20 and escalates to R528,607 million by 2020/21 which is an increase of 9.72%. The total revenue for 2021/22 is R574,662 million which is a 8.71% increase from 2020/21.
2. Revenue to be generated from property rates is R94,657 million in the 2019/20 financial year and increases to R101,693 million by 2020/21. In the 2021/22 financial year it is R109,828 million. The tariff increase is 9.0% for the MTREF period.
3. Services charges relating to electricity, water, sanitation, refuse removal and other charges constitutes the biggest component of the revenue basket of the Municipality totalling R245,124 million for the 2019/20 financial year and increasing to R264,881 million by 2020/21 and R286,086 million by 2021/22. For the 2019/20 financial year services charges amount to 50.9% of total revenue.
4. Transfers recognized – operating, includes the local government equitable share and other operating grants from national and provincial government.

Expenditure by major type

5. Bulk purchases have increased from 2015/16 to 2019/20 escalating from R85,599 million to R108,897 million. These increases can be attributed to the increase in the cost of bulk electricity from Eskom.
6. Employee related costs and bulk purchases are the main cost drivers within the municipal budget.

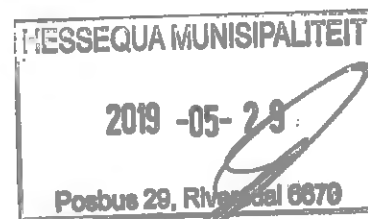


Table A5: - Budgeted Capital Expenditure by vote, standard classification and funding source - (NT – supporting tables)

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure - Vote											
Multi-year expenditure, to be appropriated	2										
Vote 01 - Office Of The Mm		-	-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		-	-	488	482	822	822	822	545	50	700
Vote 03 - Financial Services		-	-	-	-	-	-	-	-	-	-
Vote 04 - Community Services		-	-	-	250	250	250	250	300	-	-
Vote 05 - Technical Services		-	-	2 101	22 719	12 203	12 203	12 203	35 847	19 978	15 270
Vote 06 - Spatial Plannign & Environmental Managem		-	-	-	-	-	-	-	-	-	-
Vote 07 - Health		-	-	-	-	-	-	-	-	-	-
Vote 08 - Planning And Development		-	-	-	-	-	-	-	-	-	-
Vote 09 - Environmental Protection		-	-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-	-
Vote 11 - Water Management		-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 14 - Road Transport		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	2 587	23 451	13 275	13 275	13 275	36 892	20 026	15 970
Single-year expenditure to be appropriated	2										
Vote 01 - Office Of The Mm		34	182	87	40	106	106	106	58	387	383
Vote 02 - Corporate Services		2 711	2 471	4 333	3 740	3 339	3 339	3 339	2 538	4 533	1 811
Vote 03 - Financial Services		219	254	228	285	569	569	569	447	8 112	2 134
Vote 04 - Community Services		837	1 692	3 138	2 837	3 099	3 099	3 099	3 178	1 092	8 895
Vote 05 - Technical Services		82 095	118 525	51 905	70 117	71 978	71 978	71 978	57 445	43 188	38 531
Vote 06 - Spatial Plannign & Environmental Managem		71	14	63	102	121	121	121	35	648	10
Vote 07 - Health		-	-	-	-	-	-	-	-	-	-
Vote 08 - Planning And Development		-	-	-	-	-	-	-	-	-	-
Vote 09 - Environmental Protection		-	-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-	-
Vote 11 - Water Management		-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 14 - Road Transport		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		85 967	123 138	59 732	77 131	79 202	79 202	79 202	73 717	57 917	52 784
Total Capital Expenditure - Vote		85 967	123 138	62 300	100 582	92 477	92 477	92 477	110 409	77 943	68 753
Capital Expenditure - Functional											
Governance and administration		1 816	2 621	3 352	5 537	6 588	6 588	6 588	5 452	14 000	5 589
Executive and council		34	170	87	40	40	40	40	30	357	388
Finance and administration		1 782	2 451	3 265	5 517	6 558	6 558	6 558	5 422	13 643	5 221
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		3 337	5 808	8 135	9 298	9 498	9 498	9 498	10 633	8 279	14 537
Community and social services		1 180	1 452	1 823	2 509	2 538	2 538	2 538	1 581	1 383	787
Sport and recreation		1 541	2 702	4 986	4 496	4 416	4 416	4 416	5 921	5 853	4 875
Public safety		837	1 433	1 808	2 224	2 486	2 486	2 486	3 131	1 044	1 395
Housing		-	19	8	88	59	59	59	-	-	7 500
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		14 428	90 200	12 698	15 186	15 985	15 985	15 985	16 372	16 486	19 984
Planning and development		21	13	54	89	155	155	155	28	81	15
Road transport		14 389	90 188	12 643	15 084	15 799	15 799	15 799	16 311	15 830	19 949
Environmental protection		38	-	-	13	32	32	32	35	575	-
Trading services		66 174	24 710	38 107	70 543	60 398	60 398	60 398	77 952	39 177	28 634
Energy sources		32 293	5 616	9 128	20 387	8 317	8 317	8 317	25 291	12 150	10 088
Water management		5 141	8 838	11 617	17 139	23 820	23 820	23 820	18 673	8 300	9 400
Waste water management		25 833	9 758	15 988	32 768	28 009	28 009	28 009	30 765	18 127	8 918
Waste management		2 907	618	1 373	250	250	250	250	3 224	600	250
Other		12	1	8	-	-	-	-	-	-	19
Total Capital Expenditure - Functional	3	85 967	123 138	62 300	100 582	92 477	92 477	92 477	110 409	77 943	68 753
Funded by:											
National Government		31 035	87 633	23 846	15 189	15 539	15 539	15 539	14 953	14 864	15 876
Provincial Government		552	1 248	2 288	335	8 432	8 432	8 432	1 291	530	81
District Municipality		-	-	35	-	317	317	317	-	-	-
Other transfers and grants		-	73	221	1 000	5 737	5 737	5 737	-	-	-
Transfers recognised - capital	4	31 587	88 954	26 389	16 524	30 026	30 026	30 026	16 243	15 194	16 039
Borrowing	6	47 538	29 480	27 423	70 684	49 020	49 020	49 020	88 382	43 558	37 800
Internally generated funds		6 841	4 723	8 508	13 985	13 432	13 432	13 432	27 803	19 193	14 895
Total Capital Funding	7	85 967	123 138	62 300	100 582	92 477	92 477	92 477	110 409	77 943	68 753

Explanatory notes to Table A5: - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital program in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. Single-year capital expenditure has been appropriated at R73,717 million for the 2019/20 financial year and decreases in 2020/21 to R57,917 million and in 2021/22 to R52,763 million. Multi-year capital expenditure has been appropriated at R36,692 million for the 2019/20 financial year and decreases in 2020/21 to R20,026 million and in 2021/22 to R15,970 million.
3. The capital program is funded from National- and Provincial grants and transfers, public contributions and donations, borrowing and internally generated funds from current year surpluses. For 2019/20, capital transfers totals R16,243 million (14.7%) and decrease to R15,194 million by 2020/21 and R16,039 million by 2021/22. Borrowing has been provided at R66,362 million for 2019/20, R43,556 million for 2020/21 and R37,800 million for 2021/22. For 2019/20, internally generated funding totals to R27,803 million and decrease over the MTREF period to R19,193 million in 2020/21 and R14,895 million in 2021/22.

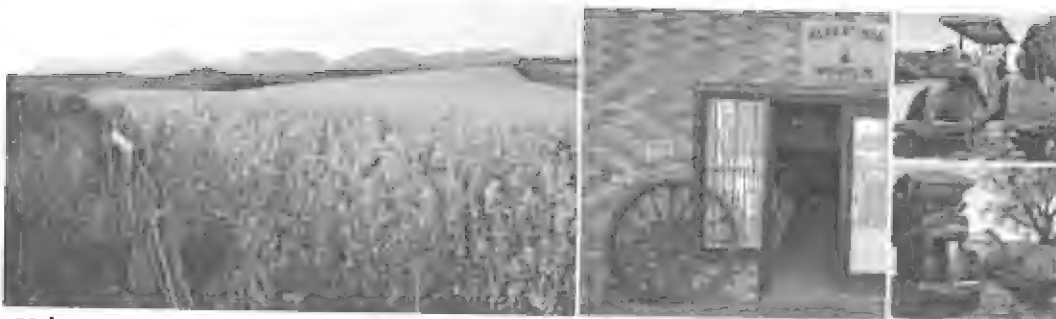


Table A6 -Budgeted Financial Position – (NT – supporting tables)

WC042 Hessequa - Table A6 Budgeted Financial Position

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
ASSETS											
Current assets											
Cash		3 279	11 420	3 445	—	—	—	—	—	—	—
Call Investment deposits	1	203 506	200 360	216 415	146 705	187 089	187 089	187 089	155 089	134 752	102 340
Consumer debtors	1	36 785	20 824	23 663	35 891	41 857	41 857	41 857	31 853	32 390	33 405
Other debtors		2 881	28 421	29 374	12 148	12 148	12 148	12 148	18 690	19 079	19 278
Current portion of long-term receivables		3	3	3	3	3	3	3	3	3	3
Inventory	2	3 416	3 188	2 811	3 218	3 218	3 218	3 218	3 099	3 254	3 416
Total current assets		249 891	264 212	276 030	197 955	244 315	244 315	244 315	208 944	189 477	158 442
Non current assets											
Long-term receivables		18	13	10	10	10	10	10	10	10	10
Investments		—	—	—	—	—	—	—	—	—	—
Investment property		66 307	70 995	71 228	68 496	71 227	71 227	71 227	71 228	71 228	71 228
Investment in Associate		—	—	—	—	—	—	—	—	—	—
Property, plant and equipment	3	643 359	752 484	774 214	853 831	830 732	830 732	830 732	912 066	844 549	986 688
Biological		—	—	—	—	—	—	—	—	—	—
Intangible		342	320	299	540	856	856	856	388	172	147
Other non-current assets		—	8 322	8 322	8 322	8 322	8 322	8 322	8 322	8 322	8 322
Total non current assets		712 023	832 138	854 073	931 198	911 147	911 147	911 147	991 963	1 024 280	1 086 394
TOTAL ASSETS		961 914	1 096 350	1 130 103	1 129 153	1 155 462	1 155 462	1 155 462	1 200 907	1 213 757	1 244 836
LIABILITIES											
Current liabilities											
Bank overdraft	1	—	—	—	—	—	—	—	—	—	—
Borrowing	4	14 586	15 738	17 421	15 738	17 421	17 421	17 421	17 421	17 421	17 421
Consumer deposits		4 414	6 444	8 400	5 341	8 400	8 400	8 400	8 261	9 724	10 210
Trade and other payables	4	114 180	75 390	83 759	70 791	88 481	88 481	88 481	62 656	69 005	75 541
Provisions		6 454	7 474	7 903	7 972	7 972	7 972	7 972	8 914	11 103	12 436
Total current liabilities		139 613	105 045	97 482	99 842	102 264	102 264	102 264	98 251	107 253	115 607
Non current liabilities											
Borrowing		107 284	111 557	94 134	150 775	124 134	124 134	124 134	166 483	187 918	200 137
Provisions		116 975	127 220	133 498	146 477	142 466	142 466	142 466	130 676	142 898	148 486
Total non current liabilities		224 259	238 776	227 632	297 251	266 599	266 599	266 599	308 159	330 816	348 623
TOTAL LIABILITIES		363 872	343 821	325 114	397 093	368 863	368 863	368 863	406 410	438 069	464 230
NET ASSETS	5	597 972	752 528	804 988	732 060	786 599	786 599	786 599	793 497	775 688	780 606
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		597 726	752 280	804 743	731 814	786 363	786 363	786 363	793 283	775 342	764 361
Reserves	4	246	248	246	246	246	246	246	246	246	246
TOTAL COMMUNITY WEALTH/EQUITY	5	597 972	752 528	804 988	732 060	786 609	786 609	786 609	793 528	775 588	784 606

Explanatory notes to Table A6: - Budgeted Financial Position

- Table A6 is consistent with international standards of good financial management practice, and improves the understanding of councillors and management of the impact of the budget on the statement of financial position (balance sheet).



Table A7 - Budgeted Cash Flow Statement – (NT – supporting tables)

WC042 Hessequa - Table A7 Budgeted Cash Flows

Description		Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates			65 375	70 187	76 165	83 167	83 167	83 167	83 167	92 784	99 659	107 632
Service charges			165 884	166 482	164 872	209 650	209 650	209 650	209 650	240 222	259 584	280 364
Other revenue			30 365	33 784	33 231	35 187	35 187	35 187	35 187	35 649	37 654	39 778
Government - operating		1	52 444	78 801	80 346	55 751	62 567	62 567	62 567	59 137	74 894	87 105
Government - capital		1	59 637	32 895	24 314	16 524	30 026	30 026	30 026	-	-	-
Interest			13 672	19 616	18 908	7 089	7 089	7 089	7 089	10 387	10 556	10 710
Dividends										-	-	-
Payments												
Suppliers and employees			(250 317)	(282 618)	(305 591)	(357 148)	(360 918)	(360 918)	(360 918)	(369 080)	(447 611)	(491 466)
Finance charges			(13 895)	(17 723)	(18 822)	(14 679)	(21 180)	(21 180)	(21 180)	(21 538)	(26 858)	(27 923)
Transfers and Grants		1		(865)	(1 055)	(987)	(1 107)	(1 107)	(1 107)	(1 197)	(1 426)	(1 286)
NET CASH FROM/(USED) OPERATING ACTIVITIES			125 145	110 138	83 370	54 534	44 463	44 463	44 463	16 343	6 482	4 933
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE			833	1 301	538	2 500	2 500	2 500	2 500	15 838	17 837	16 733
Decrease (Increase) in non-current debtors			24			2	2	2	2	-	-	-
Decrease (Increase) other non-current receivables			1	3	3					-	-	-
Decrease (Increase) in non-current investments						-	-	-	-	-	-	-
Payments												
Capital assets			(85 894)	(122 238)	(62 158)	(94 366)	(92 477)	(92 477)	(92 477)	(110 409)	(77 943)	(68 733)
NET CASH FROM/(USED) INVESTING ACTIVITIES			(85 236)	(120 933)	(61 617)	(91 864)	(89 975)	(89 975)	(89 975)	(91 570)	(60 106)	(50 000)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans			44	105	111	-	-	-	-	-	-	-
Borrowing long term/refinancing			43 000			70 694	30 000	30 000	30 000	63 262	43 556	37 800
Increase (decrease) in consumer deposits			672	2 030	1 958	210	210	210	210	441	463	488
Payments												
Repayment of borrowing			(11 539)	5 434	(15 739)	(15 738)	(17 421)	(17 421)	(17 421)	(20 513)	(24 121)	(25 581)
NET CASH FROM/(USED) FINANCING ACTIVITIES			32 176	7 569	(13 672)	55 166	12 789	12 789	12 789	43 190	19 898	12 705
NET INCREASE/ (DECREASE) IN CASH HELD												
Cash/cash equivalents at the year begin:		2	70 088	4 984	8 081	(2 164)	(32 723)	(32 723)	(32 723)	(32 037)	(33 758)	(32 342)
Cash/cash equivalents at the year end:		2	136 700	206 785	211 779	149 889	219 860	219 860	219 860	187 137	155 099	121 344

Explanatory notes to Table A7: - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The Municipality's cash position changes year-on-year. Cash to the amount of R187,137 million is expected at the end of June 2019. This amount will decrease during 2019/20 by R32,037 million.
4. Cash and cash equivalents totals R187,137 million at the end of the 2018/19 financial year, and decreases to R155, 099 million by 2019/20.

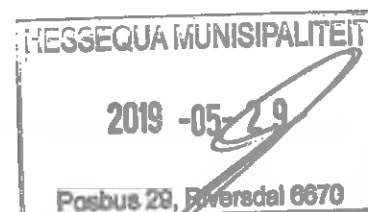


Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation – (NT – supporting tables)

WC042 Hessequa - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash and Investments available											
Cash/cash equivalents at the year end	1	208 785	211 779	219 860	147 705	187 137	187 137	187 137	155 099	134 844	102 482
Other current investments > 90 days		0	(0)	(0)	(1 000)	(48)	(48)	(48)	(0)	(92)	(142)
Non current assets - investments	1	-	-	-	-	-	-	-	-	-	-
Cash and Investments available:		208 785	211 779	219 860	146 705	187 089	187 089	187 089	155 099	134 752	102 340
Application of cash and investments											
Unspent conditional transfers		69 967	21 251	12 680	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	10 102	13 197	4 146	30 337	22 975	22 975	25 155	17 174	22 816	28 200
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		80 069	34 448	16 827	30 337	22 975	22 975	25 155	17 174	22 816	28 200
Surplus(shortfall)		128 717	177 332	203 034	116 368	164 114	164 114	161 934	137 925	111 936	74 140

Explanatory notes to Table A8: - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end, and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. From the table it can be seen that the 2019/20 MTREF Budget shows a surplus for each period.
6. Considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2019/20 MTREF is funded.
7. As part of the budgeting and planning guidelines that informed the compilation of the 2019/20 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

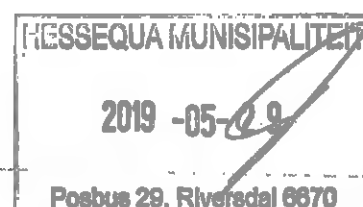


Table A9: - Asset Management – (NT – supporting tables)

WC042 Hessequa - Table A9 Asset Management

Description		Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CAPITAL EXPENDITURE											
Total New Assets											
		1	19 329	10 569	31 963	44 094	46 555	46 555	41 255	35 404	39 455
	Roads Infrastructure			1 614	397	3 400	3 400	3 400	1 250	5 600	13 150
	Storm water Infrastructure				437						
	Electrical Infrastructure		2 303		7 524	8 755	3 610	3 610	7 035	2 900	2 180
	Water Supply Infrastructure			163	9 501	11 825	17 460	17 460	10 702	6 000	12 800
	Sanitation Infrastructure		7 217	827	554	6 284	4 959	4 959	2 060	1 380	1 850
	Solid Waste Infrastructure				44	250	250	250	100	100	
	Rail Infrastructure										
	Coastal Infrastructure										
	Information and Communication Infrastructure				850	1 043	983	983	905	9 410	2 250
	Infrastructure		9 521	8 724	19 307	22 537	30 691	30 691	22 042	25 260	32 010
	Community Facilities			84	134	1 375	1 338	1 338	900		
	Sport and Recreation Facilities			85	38	120	120	120	20		35
	Community Assets			129	173	1 458	1 458	1 458	929		35
	Heritage Assets										
	Revenue Generating										
	Non-revenue Generating										
	Investment properties										
	Operational Buildings		106	569	1 233	300	996	996		115	
	Housing										
	Other Assets		106	569	1 233	300	996	996		115	
	Biological or Cultivated Assets										
	Servitudes										
	Licences and Rights						316	316	170		
	Intangible Assets						316	316	170		
	Computer Equipment		1 302	819	554	939	935	935	889	383	635
	Furniture and Office Equipment		718	683	1 291	288	522	522	339	983	208
	Machinery and Equipment		3 398	786	1 878	1 855	1 883	1 883	2 339	4 084	2 671
	Transport Assets		4 286	4 693	7 545	9 580	9 580	9 580	14 565	4 580	4 080
	Land										
	Zoo's, Marine and Non-biological Animals										
Total Removal of Existing Assets											
		2	66 438	112 569	10 430	5 012	5 015	5 015	11 576	5 880	5 430
	Roads Infrastructure		10 486	85 524	7 770	500	927	927			
	Storm water Infrastructure										
	Electrical Infrastructure		29 951	5 743		300			450	360	1 750
	Water Supply Infrastructure		5 080	9 508					5 000		
	Sanitation Infrastructure		18 603	8 364						180	
	Solid Waste Infrastructure		163	290							
	Rail Infrastructure										
	Coastal Infrastructure										
	Information and Communication Infrastructure										
	Infrastructure		64 262	109 427	7 770	500	927	927	8 450	530	1 750
	Community Facilities			1 721	184	180	180	180	450	300	380
	Sport and Recreation Facilities			498	2 477	4 032	3 908	3 908	5 670	6 180	3 300
	Community Assets			2 220	2 881	4 212	4 089	4 089	6 120	6 450	3 680
	Heritage Assets										
	Revenue Generating										
	Non-revenue Generating										
	Investment properties										
	Operational Buildings		2 376	1 537							
	Housing										
	Other Assets		2 376	1 537							
	Biological or Cultivated Assets										
	Servitudes										
	Licences and Rights										
	Intangible Assets										
	Computer Equipment			281							
	Furniture and Office Equipment			124							
	Machinery and Equipment										
	Transport Assets										
	Land										
	Zoo's, Marine and Non-biological Animals										

Table A9: - Asset Management – (NT – supporting tables) (Continue)

WC042 Hessequa - Table A9 Asset Management

Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Total Upgrading of Existing Assets	6									
Roads Infrastructure				19 877	61 477	40 812	40 812	67 884	38 589	23 847
Storm water Infrastructure				922	7 281	7 689	7 689	11 000	5 551	6 060
Electrical Infrastructure				1 030	10 790	1 965	1 965	14 550	8 490	8 800
Water Supply Infrastructure				1 112	4 410	5 457	5 457	2 870	2 300	3 300
Sanitation Infrastructure				15 044	24 937	21 484	21 484	25 819	15 140	6 148
Solid Waste Infrastructure										
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure										
Infrastructure				19 127	47 309	36 798	36 798	84 338	31 591	20 309
Community Facilities				1 135	1 820	1 819	1 819	955	1 770	1 110
Sport and Recreation Facilities				211	1 808	1 900	1 900	2 198	3 124	2 420
Community Assets				1 346	3 728	3 719	3 719	3 163	4 884	3 530
Heritage Assets										
Revenue Generating										
Non-revenue Generating										
Investment properties										
Operational Buildings										
Housing				229	80	180	180		65	
Other Assets				8						
Biological or Cultivated Assets				237	80	180	180		65	
Services										
Licences and Rights										
Intangible Assets										
Computer Equipment										
Furniture and Office Equipment				186	280	238	238	95	9	9
Machinery and Equipment										
Transport Assets										
Land										
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure	4	88 867	123 138	82 300	100 582	92 477	92 477	110 409	77 943	68 733
Roads Infrastructure		10 488	67 138	9 089	11 151	12 216	12 216	12 250	11 261	18 210
Storm water Infrastructure				437						
Electrical Infrastructure		32 254	5 743	8 574	17 845	5 775	5 775	22 035	11 640	9 710
Water Supply Infrastructure		5 080	8 890	10 812	18 235	22 916	22 916	18 679	9 300	16 100
Sanitation Infrastructure		25 820	9 291	15 597	31 202	26 443	26 443	27 958	16 870	7 706
Solid Waste Infrastructure		163	290	44	250	250	250	100	100	
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure										
Infrastructure				850	1 043	983	983	905	9 410	2 250
Community Facilities				1 785	3 375	3 337	3 337	2 305	2 070	1 480
Sport and Recreation Facilities			584	2 726	6 050	5 928	5 928	7 888	8 274	5 755
Community Assets			2 349	4 179	9 435	9 264	9 264	10 193	10 344	7 345
Heritage Assets										
Revenue Generating										
Non-revenue Generating										
Investment properties										
Operational Buildings										
Housing		2 482	2 106	1 482	380	1 186	1 186		180	
Other Assets		2 482	2 106	1 470	380	1 186	1 186			
Biological or Cultivated Assets									180	
Services										
Licences and Rights										
Intangible Assets						316	316	170		
Computer Equipment		1 302	1 671	888	935	938	938	889	383	635
Furniture and Office Equipment		718	617	1 457	969	780	780	434	891	215
Machinery and Equipment		3 388	780	1 878	1 965	1 883	1 883	2 339	4 084	2 671
Transport Assets		4 285	4 893	7 648	9 880	9 580	9 580	14 385	4 580	4 000
Land										
Zoo's, Marine and Non-biological Animals										
TOTAL CAPITAL EXPENDITURE - Asset class		88 867	123 138	82 300	100 582	92 477	92 477	110 409	77 943	68 733

Table A9: - Asset Management – (NT – supporting tables) (Continue)

WC042 Hesseque - Table A9 Asset Management										
Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Forecasts		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Mid-Year 2019/20	Budget Year 2019/20
R thousand										
ASSET REGISTER SUMMARY - PPE (NDV)	6	712 008	832 122	854 063	851 188	911 137	911 137	891 883	1 024 270	1 065 384
Roads Infrastructure		133 607	216 905	232 772	169 951	182 846	182 846	169 679	195 351	207 608
Storm water Infrastructure					88 842	88 842	88 842	87 767		85 686
Electrical Infrastructure		89 442	82 988	80 034	114 451	102 381	102 381	127 530	135 240	141 627
Water Supply Infrastructure		60 036	66 916	66 828		67 309	67 309	102 811	105 207	123 870
Sewerage Infrastructure		96 889	106 883	103 344	136 847	116 060	116 060	140 104	162 163	164 882
Solid Waste Infrastructure		477	718	704	28 760		28 436	20 757	16 077	9 285
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure					1 180	1 120	1 120	2 002	11 387	13 510
Infrastructure		378 854	471 172	481 890	539 779	584 894	584 894	499 139	681 087	718 278
Community Assets		14 771	15 061	17 377	28 223	28 063	28 063		57 728	39 082
Heritage Assets		8 322	8 322	8 322	8 322	8 322	8 322	8 322	8 322	8 322
						71 227	71 227			
Investment properties		68 307	79 985	71 235	68 485	71 227	71 227	71 228	71 228	71 228
Other Assets		218 743	234 848	199 878	181 372	174 005	174 005	172 453	171 080	177 028
Biological or Cultivated Assets										
Intangible Assets		342	320	289	432	855	855		172	147
Computer Equipment		4 988	4 438	4 985	4 438	4 445	4 445	4 280	4 958	4 418
Furniture and Office Equipment		1 419	1 909	8 188	2 330	2 521	2 521	2 441	2 988	2 898
Machinery and Equipment		8 114	8 284	15 841	9 488	9 333	9 333	10 049	13 981	18 193
Transport Assets		14 347	18 183	28 082	27 781	27 781	27 781	38 588	11 141	34 095
Land										
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (NDV)	5	712 008	832 122	854 063	851 188	911 137	911 137	891 883	1 024 270	1 065 384
EXPENDITURE OTHER ITEMS		48 822	89 127	89 185	112 864	112 865	112 868	118 321	127 744	138 141
Donation	7	24 836	25 694	30 031	36 000	36 000	36 000	34 743	38 038	38 118
Roads and Maintenance by Asset Class	3	15 088	63 533	66 184	78 704	78 738	78 738	83 578	91 708	87 822
Roads Infrastructure		1 541	18 412	18 889	19 876	20 018	20 018	20 389	22 632	24 186
Storm water Infrastructure				235	288	288	288	303	321	341
Electrical Infrastructure		1 891	10 387	10 882	13 302	13 083	13 083	15 633	18 720	17 863
Water Supply Infrastructure		648	8 857	8 454	11 289	11 870	11 870	12 127	12 874	13 881
Sewerage Infrastructure		66	8 788	9 840	9 785	9 818	9 818	11 180	11 834	12 774
Solid Waste Infrastructure		22	2 061	2 014	2 431	2 387	2 387	3 815	3 887	4 137
Information and Communication Infrastructure										
Infrastructure		4 189	48 273	48 282	57 879	57 880	57 889	63 218	68 448	73 211
Community Facilities		81		1 608	1 548	2 310	2 310	2 617	4 088	3 138
Sport and Recreation Facilities		381		5 788	8 887	8 771	7 488	7 888	8 575	
Community Assets		543		7 401	8 777	8 681	9 087	10 016	11 881	11 813
Heritage Assets										
Revenue Generating										
Non-revenue Generating										
Investment properties										
Operational Buildings		5 874	8 379	1 581	2 120	1 848	1 848	2 200	2 385	2 512
Housing				20	21	21	21	18	16	18
Other Assets		8 874	8 379	1 581	2 121	1 848	1 848	2 204	2 372	2 530
Biological or Cultivated Assets										
Services										
Licenses and Rights										
Intangible Assets										
Computer Equipment		283	1 479	1 701	1 508	1 802	1 802	2 188	2 289	2 483
Furniture and Office Equipment		38	139	158	285	285	285	278	381	328
Machinery and Equipment		325	1 885	1 635	2 473	2 489	2 489	2 829	2 748	2 838
Transport Assets		4 481	4 179	9 888	4 133	4 131	4 131	3 182	3 581	4 898
Land										
Zoo's, Marine and Non-biological Animals										
TOTAL EXPENDITURE OTHER ITEMS		48 822	89 127	89 185	112 864	112 865	112 868	118 321	127 744	138 141



WC042 Hessequa - Table A9 Asset Management

Description R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Renewal and upgrading of Existing Assets as % of total capital		77.5%	91.4%	48.6%	56.2%	49.7%	49.7%	62.6%	54.6%	42.6%
Renewal and upgrading of Existing Assets as % of depreciation		298.3%	439.8%	100.9%	157.1%	127.7%	127.7%	199.0%	118.1%	76.8%
R&M as a % of PPE		2.4%	8.4%	8.9%	9.0%	9.2%	9.2%	9.2%	9.7%	9.8%
Renewal and upgrading and R&M as a % of PPE		12.0%	21.0%	12.0%	14.0%	13.0%	13.0%	15.0%	13.0%	12.0%

Explanatory notes to Table A9: - Asset Management

Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.



Hessequa Municipality

2019/20 Final Annual Budget and MTRF

Table A10: - Basic service delivery measurement - (NT - supporting tables)

WC642 Hessequa - Table A10 Basic service delivery measurement

Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Budgetary Performance		
		Outcomes	Outcomes	Outcomes	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year 2019/21	Budget Year 2020/22
Household services provided	1									
Piped water inside dwelling		13 316	13 316	13 935	13 935	13 935	13 935	14 632	16 343	16 132
Piped water inside dwelling (not in dwelling)										
Using public tap (at least min. service level)	2	427	427	440	440	440	440	462	485	509
Other water supply (at least min. service level)										
Minimum Service Level and Above sub-total		13 743	13 743	14 375	14 375	14 375	14 375	15 094	16 828	16 641
Using public tap (< min. service level)	3									
Other water supply (< min. service level)	4									
No water supply										
Below Minimum Service Level sub-total										
Total number of households	5	13 743	13 743	14 375	14 375	14 375	14 375	15 094	16 828	16 641
Sanitation services provided										
Sanitary (at least min. service level)		12 967	12 967	13 437	13 437	13 437	13 437	14 109	14 814	15 569
Sanitary (not in dwelling)										
Other toilet provisions (at least min. service level)										
Minimum Service Level and Above sub-total		12 967	12 967	13 437	13 437	13 437	13 437	14 109	14 814	15 569
Sanitary (< min. service level)										
Other toilet provisions (< min. service level)										
No toilet provisions										
Below Minimum Service Level sub-total										
Total number of households	6	12 967	12 967	13 437	13 437	13 437	13 437	14 109	14 814	15 569
Electricity services provided										
Electricity (at least min. service level)		14 273	14 273	14 375	14 375	14 375	14 375	15 094	16 343	16 132
Electricity - prepaid (at least min. service level)										
Minimum Service Level and Above sub-total		14 273	14 273	14 375	14 375	14 375	14 375	15 094	16 343	16 132
Electricity (< min. service level)										
Other energy sources (< min. service level)										
Other energy sources										
Below Minimum Service Level sub-total										
Total number of households	7	14 273	14 273	14 375	14 375	14 375	14 375	15 094	16 343	16 132
Waste management services provided										
Removed at least once a week		13 088	13 088	13 166	13 166	13 166	13 166	13 824	14 816	15 241
Removed less frequently than once a week										
Using household refuse dump										
Using semi refuse dump										
Other refuse disposal										
No rubbish disposal										
Below Minimum Service Level sub-total										
Total number of households	8	13 088	13 088	13 166	13 166	13 166	13 166	13 824	14 816	15 241
Household services provided - Formal Settlements (R2000)	9									
Water (0 kilolitre per household per month)		4 782	4 651	5 047	5 047	5 047	5 047	5 111	5 162	5 178
Sanitation (free minimum level service)		4 676	4 769	4 769	4 769	4 769	4 769	4 538	4 686	4 686
Electricity (at least min. service level)		4 689	5 079	5 089	5 089	5 089	5 089	5 468	5 506	5 506
Rubbish removed at least once a week		4 943	5 069	4 689	5 197	5 197	5 197	5 246	5 302	5 319
Cost of Free Basic Services provided - Formal Settlements (R2000)										
Water (0 kilolitre per household per month)		1 099	1 163	1 622	1 602	1 602	1 602	2 353	2 758	2 879
Sanitation (free minimum level service)		6 557	7 265	7 065	7 065	7 065	7 065	6 057	6 781	6 781
Electricity (at least min. service level)		2 488	2 673	2 689	3 046	3 046	3 046	3 280	3 520	3 520
Rubbish removed at least once a week for indigent households		5 389	5 625	6 280	7 112	7 112	7 112	8 179	9 405	10 168
Cost of Free Basic Services provided - Informal Formal Settlements (R2000)										
Total cost of FBS provided		16 533	17 667	17 667	19 815	19 815	19 815	23 878	28 464	29 494
Household services provided - Free Basic Services										
Property rate (per unit adjustment) (in accordance with section 17 of MPRSA)		59 000	59 000	59 000	59 000	59 000	59 000	59 000	59 000	59 000
Water (kilolitre per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitre per household per month)										
Electricity (kwh per household per month)		60	60	60	60	60	60	60	60	60
Rubbish removed at least once a week										
Household services provided - Free Basic Services (R2000)	10									
Property rate (per unit adjustment) (in accordance with section 17 of MPRSA)		6 194	6 810	6 978	8 063	8 063	8 063	8 403	9 075	9 075
Property rate - exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRSA										
Water (at least min. service level)		5 680	6 344	6 328	7 227	7 227	7 227	7 217	7 784	8 418
Sanitation (at least min. service level)										
Electricity (at least min. service level)										
Rubbish removed at least once a week for indigent households										
Unpaid electricity - credit relief		40		103	95	95	95	103	111	129
Unpaid electricity - credit relief		43								
Other		309		319	334	334	334	351	390	421
Total revenue cost of subsidised services provided		12 536	12 994	14 037	16 064	16 554	16 694	16 444	17 708	18 182

Explanatory notes to Table A10: - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. The budget provides for an average of 5 184 households between the services to be registered as indigent in 2019/20, and therefore entitled to receiving Free Basic Services.
3. It is anticipated that these Free Basic Services will cost the municipality R23,078 million in 2019/20, in the outer years free basic services are R25,464 million for 2020/21 and R27,466 million in 2021/22. In addition to these free services the Municipality also gives Property rates: exemptions, reductions and rebates adding to R8,403 million in 2019/20, R9,075 million for 2020/21 and R9,801 million for 2021/22.

PART 2 - SUPPORTING DOCUMENTATION

2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS

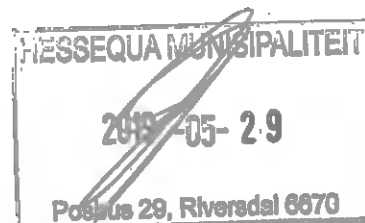
Political Oversight of the Budget Process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aim of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of the municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.



2.1.1 **Budget Process Overview**

In terms of section 21 of the MFMA the Mayor is required to table to Council ten months before the start of the new financial year, a time schedule that sets out the process to revise the IDP and prepare the budget.

The IDP and Budget time schedule of the 2019/20 budget cycle was approved by Council on 29 August 2018, ten months before the start of the budget year in compliance with legislative directives.

- **October 2018** – Review of the financial strategy and key economic and financial assumptions by the Budget Steering Committee & Executive Management
- **30 November 2018** – Detail departmental budget proposals (Capital and operating) submitted to the Budget and Treasury office for consolidation and assessment against financial planning guidelines
- **30 January 2019** – Council considers the 2018/19 Mid-year Review
- **27 February 2019** – Council approves 2018/19 Adjustment budget
- **Weekly Budget Committee meetings to workshop the 2019/20 budget**
 - **17 September 2018**
 - **28 November 2018**
 - **25 January 2019**
 - **5 February 2019**
 - **21 February 2019**
 - **27 February 2019**
 - **14 May 2019**
- **27 March 2019** – Tabling to Council of the draft 2019/20 IDP and draft 2019/20 MTREF budget.
- **29 May 2019** – Tabling to Council of the 2019/20 MTREF Budget and IDP.

2.1.2 **IDP and Service Delivery and Budget Implementation Plan**

The municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget implementation Plan.

2.1.3 **Financial Modelling and Key Planning Drivers**

As part of the compilation of the 2019/20 MTREF budget extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2019/20 MTREF Budget:

- The 2018/19 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget, were adopted as the upper limits for the new baselines for the 2019/20 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;

- Revenue should be increased by at least 1 - 2 percentage points above the CPI rate p.a. Tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs.
- The 2019/20 MTREF budget prioritizes and targets the municipality to ensure sustainable service levels. The capital budget over the MTREF period provides for the minimum resources that are needed for the current infrastructure and does not address any backlogs of the past. This will result in unaffordable capital budgets.
- The council's goal is to keep tariff increases as low as possible. We are above the guideline as proposed by NT. The recommendation in the Council's Draft Financial Plan is CPI rate + 1 - 2%. The tariff increase for rates is 9%, for water 12%, sewerage 9%, refuse 15% and the electricity tariff increase is approximately 7.0% on average. Factors such as salaries which make out a large component of the operating budget, increases by 7.0%, (salaries increase by 7.0% + new posts and notches) from the 2018/2019 adjusted budget.
- Based on negotiations between the relevant parties on the Bargaining Council agreement, salary increases (excluding new posts and notches) have been calculated into this budget at a percentage increase of 7.0% for the 2019/20 financial year
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
 - Policy priorities and strategic objectives
 - Asset maintenance
 - Economic climate and trends (i.e inflation, Eskom Increases, household debt, migration patterns)
 - Performance trends
 - Cash Flow Management Strategy
 - Debtor payment levels
 - Loan and investment possibilities
 - The need for tariff increases versus the ability of the community to pay for services;
 - Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 51 and 54 has been taken into consideration in the planning and prioritisation process.

2.1.4 Community Consultation

A consultation process was carried out during April 2019. During this process members of the community were afforded the opportunity to provide inputs and comments on the draft budget presented to them.



2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP

The vision for Hessequa Municipality as set out for 2017-2022 and beyond is:

A Caring, Serving & Growing Hessequa

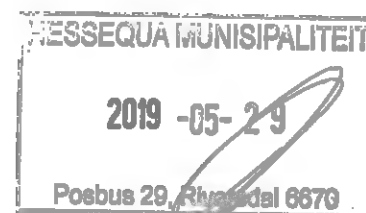
The vision aims at a sustainable condition for Hessequa by stabilizing the three pillars on which its existence depends. Our People, our Economy and our Environment. It promises benefits to everyone, responsibility in governance and leadership. The vision is supported by the following Mission Statement:

Our mission is to be a caring, sustainable and transparent municipality. We believe in fairness, quality service delivery, productivity and use of technology to uplift all communities. We want all to be able to access socio-economic freedom as we live responsibly in harmony with the environment.

Hessequa Strategic Objectives

As mentioned in the previous section, the vision was developed after serious consideration was given to the current circumstances presented to Hessequa Municipality. Analysis was done in terms of the institutional well-being to come to grips with what the municipality is facing. The financial state of the municipality was scrutinized, as well as the economic realities in different sectors of the economy. The well-being of our people was placed under the "microscope". A valuable resource in the sustainable development in Hessequa is our rich, bio-diverse environment. An asset, but a very fragile one, as changes in climate and extreme weather conditions continues to challenge management of our environment. The Hessequa Council has set the following five Strategic Objectives with specific impacts to be made:

- 1. Good Governance & Public Participation**
- 2. Cost Effective Service Delivery**
- 3. Financial Management**
- 4. Social & Economic Development**
- 5. Environmental Management**



As the heading for this section on strategic objectives reads, these areas need to guide all planning and investments from the municipal budget. The feasibility of any vision is located in the change that has been brought about by the set objectives after focused investment, based on a plan of change. This plan should inevitably be the Integrated Development Plan. It is an important reminder that a plan's credibility is located in the implementing ability of its objectives. "Can we achieve what we want to achieve?" should be asked. If the answer is no to this question, a municipality is most definitely in a process of complacency only and cannot claim, with any reasonable conviction, that the vision stated will become a reality. The 4th Generation IDP of Hessequa Municipality departed on the principles that a vision that cannot be made a reality is not feasible, credible or responsible towards our communities who expect an accountable government. Plainly stated, a government which does what it says it is going to do. The following section looks at the alignment of the objectives conceptualized on a local level with that of National and Provincial Government.



Alignment of Priorities - National, Provincial and Local

The Hessequa IDP process acknowledges the strategic mandate placed on government as a whole and seeks to align its principles, strategies and targets accordingly. The strategic framework which was primarily considered in the development of the 3rd Generation IDP was the methodology found in the national and provincial outcomes based approach to service delivery.

Hessequa Municipality forms part of the Western Cape and hosts several service delivery access points managed by other spheres of government which ranges from provincial departments, national departments and government funded service organizations.

No local municipality can function in isolation from the other two spheres of government involved in its annual processes. Various platforms are maintained by the provincial sphere of government for coordination of oversight within local municipalities. Hessequa Municipality is committed to the development of strengthened service delivery through inter-governmental partnerships and continued collaboration for the good of our communities. Hessequa Municipality also serves as an agent for some functions allocated to provincial government. This has major implications on budgets and management processes that need to be well controlled for reporting purposes to the relevant provincial department.

Continuous engagements based on technical factors takes place throughout the year between national, provincial and local spheres of government. From an IDP perspective there are a few important engagements to highlight.

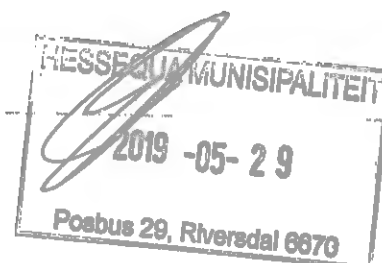
Pre-Determined Objectives

In terms of alignment between the IDP and the budget, the Strategic Objectives have been broken down into 5 year goals set by Council. These are called Pre-Determined Objectives and creates an integration platform with the budget structure as prescribed by mSCOA.

The following multi-year goals have been set in the IDP and linked to the budget in accordance to mSCOA requirements:

PDG#	IDP Objective	Department	Directorate	Pre-Determined Objective
1	2. Cost Effective Service Delivery	Housing	Director: Community Services	Addressing Housing need of more Beneficiary Categories
2	4. Social & Economic Development	Community Safety		Community Safety Services Development
3	4. Social & Economic Development	Social Development		Social Development Strategy Development and Implementation
4	1. Good Governance & Public Participation	Human Resource	Director: Corporate Services	Personell Development and Improved Management
5	1. Good Governance & Public Participation	Property Administration		Effective Utilisation of Municipal Properties
6	1. Good Governance & Public Participation	ICT		Systems and Governance Improvement (ICT)
7	4. Social & Economic Development	Libraries		Continued Delivery of Public Library Service
8	1. Good Governance & Public Participation	Town Planning	Director: Development	Secure and Improved Spatial Planning Service

PDO#	IDP Objective	Department	Directorate	Pre-Determined Objective
9	1. Good Governance & Public Participation	Building Control	Planning	Responsive Development Planning
10	5. Environmental Management	Environmental Management		Environmental Planning and Management
11	4. Social & Economic Development	LED		Implementation of Economic Development Strategy
12	3. Financial Management	Income	Director: Finance	Revenue Enhancement and Management of Properties
13	3. Financial Management	Income		Affordability Review of Tariffs and Poor Household Support
14	3. Financial Management	Supply Chain Management		Efficient Procurement Processes
15	3. Financial Management	CFO		Sustainable Financial Management
16	2. Cost Effective Service Delivery	Repairs & Maintenance	Director: Technical Services	Efficient Service Delivery within Service Standards
17	2. Cost Effective Service Delivery	Project Planning & Management		Expansion of Externally Funded Programmes
18	2. Cost Effective Service Delivery	Project Planning & Management		Development and Improvement of Project Planning and Management
19	2. Cost Effective Service Delivery	Electro-Mechanical Services		Renewable Energy Planning
20	2. Cost Effective Service Delivery	Parks & Open Space Management	Municipal Manager	Parks and Open Space Planning and Development
21	1. Good Governance & Public Participation	Internal Audit		Enhanced Assurance
22	1. Good Governance & Public Participation	Strategic Services		Risk Mitigation Improvement
23	1. Good Governance & Public Participation	Strategic Services		Integrated Planning
24	1. Good Governance & Public Participation	Strategic Services		Formalised & Improved Public Participation
25	1. Good Governance & Public Participation	Strategic Services		Strengthened Oversight
26	1. Good Governance & Public Participation	Strategic Services		Improved Performance



2.2.1 District IDP Coordination

The Garden Route District Municipality coordinates the strategic regional process and continues to facilitate important strategic issues on a district level through the gathering of role-players. There are also several technical committees in the district that creates joint planning platforms. Hessequa Municipality supports the processes initiated by the district municipality.

2.2.2 Provincial IDP Forum

The provincial department of Local Government (DPLG) facilitates quarterly meetings where regulatory information is shared and consulted with IDP representatives from all local municipalities in the province. It serves as an important platform for information sharing and more specifically providing the provincial department with a mandate to address certain IGR issues experienced by local municipalities. These sessions have always proven to be helpful and supportive of local municipality's processes

2.2.3 Provincial IDP Program

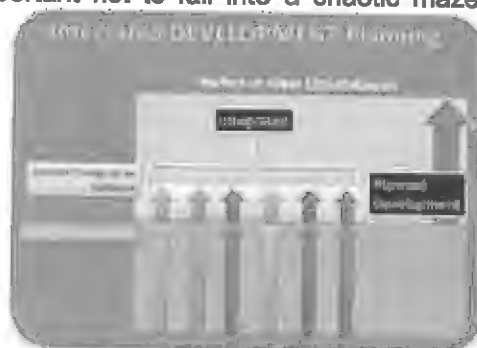
As part of the oversight role that Provincial Treasury needs to fulfil towards local municipalities, two joint planning sessions is organized by DPLG. Both of these sessions aim at aligning the planning provincial government does in all its departments with the realities faced on a local level. Municipalities are given the opportunity to communicate the issues coming from their IDP processes and all departments on a provincial level commits to possible solutions. It has given local municipalities an opportunity to raise and discuss issues coming from our public participation processes in detail. Issues such as provincial roads maintenance, pedestrian safety, funding for backlogs in service delivery and many more have been raised.

2.2.4 The LGMTEC Process

The LGMTEC process is an IGR platform where Provincial Treasury portrays their direct oversight role towards the municipal budget. After the adoption of Draft IDP's and Budgets at the end of March every year, municipalities supply these documents to Provincial Treasury who in turn evaluate the credibility of the strategic plan and the financial plan of the local municipality. Many issues concerning compliancy and financial sustainability are considered and debated with a set of recommendations from Provincial Treasury to the local municipality as an outcome. Hessequa Municipality commits to this process and supports the oversight role of provincial government for transparency and accountability reasons.

2.2.5 Integrated DEVELOPMENT Planning & Review

When the integration of processes have been dealt with, it is important not to fall into a chaotic maze of managing each and every little activity that the municipality is already doing on a daily basis. This indirectly relates to the similar notion of trying to manage the performance of each and every person in service of the municipality through the formal Performance Management System. It becomes an immense task to manage all the information and very confusing as different departments have different organizational layouts where one person might receive instructions from two people and of a varying nature. Even though it is possible, it creates a problem in terms of the original goal when we started to "plan". It is supposed to be planning of a "developmental" nature. The goal is to create a plan for "calculated changes" to the current



"Status Quo". The figure above explains this logic behind the concept of planning that considers the current realities and creates a base line from where the implementation of change departs from, to reach a calculated destination of service delivery.

Table SA4: - Reconciliation between the IDP strategic objectives and budgeted revenue – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand												
SO5 - ENVIRONMENTAL MANAGEMENT				457	573	5 228	4 984	4 964	4 964	5 341	5 171	5 371
SO4 - SOCIAL & ECONOMIC DEVELOPMENT				2 578	108 842	11 228	892	7 047	7 047	1 451	12 888	21 018
SO3 - FINANCIAL MANAGEMENT				86 978	72 264	93 971	98 225	98 225	98 225	111 100	119 181	128 427
SO2 - COST EFFECTIVE SERVICE DELIVERY				248 203	192 813	255 653	290 163	298 082	298 082	306 764	331 557	355 948
SO1 - GOOD GOVERNANCE & PUBLIC PARTICIPATION				51 394	60 592	58 710	51 038	51 581	51 581	57 124	60 130	63 900
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	349 608	435 084	454 790	453 282	459 889	459 889	481 779	528 807	574 682

Table SA5: - Reconciliation between the IDP strategic objectives and budgeted operating expenditure – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand												
SO5 - ENVIRONMENTAL MANAGEMENT				1 899	1 590	8 598	10 081	9 963	9 963	11 226	11 507	12 256
SO4 - SOCIAL & ECONOMIC DEVELOPMENT				7 307	118 515	16 382	7 731	13 817	13 817	8 788	21 148	29 722
SO3 - FINANCIAL MANAGEMENT				16 982	18 784	32 153	35 138	34 205	34 205	40 872	42 556	45 892
SO2 - COST EFFECTIVE SERVICE DELIVERY				270 749	209 731	293 650	359 778	359 602	359 602	389 716	408 398	441 973
SO1 - GOOD GOVERNANCE & PUBLIC PARTICIPATION				42 236	42 430	64 365	60 237	61 155	61 155	66 788	71 048	73 842
Allocations to other priorities												
Total Expenditure			1	339 175	381 050	408 350	472 975	478 742	478 742	487 391	554 658	603 885

Table SA6: - Reconciliation between the IDP strategic objectives and budgeted capital expenditure – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand												
SO5 - ENVIRONMENTAL MANAGEMENT				38		48	88	107	107	35	606	-
SO4 - SOCIAL & ECONOMIC DEVELOPMENT				33	5 819	221	412	405	405	315	48	7 510
SO3 - FINANCIAL MANAGEMENT				207	253	4 757	6 620	7 576	7 576	5 224	6 307	4 518
SO2 - COST EFFECTIVE SERVICE DELIVERY				84 080	114 897	65 845	91 810	82 461	82 461	103 644	60 950	53 735
SO1 - GOOD GOVERNANCE & PUBLIC PARTICIPATION				1 609	2 368	1 628	1 853	1 928	1 928	1 181	10 033	2 970
Allocations to other priorities			3									
Total Capital Expenditure			1	85 987	123 136	82 300	100 582	82 477	82 477	110 408	77 943	68 733

HESSEQUA MUNICIPALITY

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2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

Municipalities in South Africa have undergone radical changes in terms of legislative requirements and especially lower capacity local councils have struggled to implement the changes. Economic realities have also caused pressure on councils to be more responsible in terms of expenditure. Furthermore communities have grown tired of promises being made indirectly in terms of planning that have been communicated with them from municipalities. This has been seen where communities publicly expressed their dissatisfaction with the delivery on promises made by councils by protests. Furthermore we see how other communities are not interested in any planning processes anymore as they experience it as "useless" exercises due to "nothing happening" after the inputs to the plans was given.

The concept of Pre-Determined Objectives (PDO's) strives to rectify this very issue. It is being requested by the Auditor General of South Africa that municipalities must set their targets in their planning and be able to annually prove to the external auditing process how delivery was done and progress made on these objectives that were made. This requirement forces a municipality to start and be accountable to its communities. It forces objective communication between the municipality and its communities, and targets that are being set cannot be "unreal". It should be achievable and implementable. No more "pies in the skies" to make use of the Informal figure of speech. It also forces municipalities to take stock of their capacity to implement the changes promised. Ultimately it becomes a tool to make realistic promises to the communities on issues relating to them.

Even though it seems to promise much, there is still a mountain of problems on the doorstep of municipalities in South Africa. However, gradual overcoming of obstacles can be planned for and realistic targets can be identified and communicated with the residents.

2.3.1 Process Explanation

1. After a set of Focus Areas have been identified, the vision is developed from it. In essence it becomes a summary of that what the council deems important for Strategic Change, instead of a completely Irrational and unrealistic vision which isn't meaningful at all.
2. After the Focus Areas have been Identified, each is then broken down into Strategic Objectives (PDO's) that need to be delivered during Council's term of office that is needed to make the desired Impact. This is the first set of Objectives that a municipality has direct control over. This means that the municipality commits to a specific set of deliverables to attain the change desired by the residents.
3. After the PDO's have been developed in terms of what Council wants to see, the officials continue to break down all Strategic Objectives into annual Outputs that resembles the change that needs to be brought about annually to attain the objective of the 5 year term of the Council.
4. Then the annual Outputs are broken down into specific Activities/Actions that need to be done to realize the annual Output.
5. Finally of course, everything costs something and the needed resources are allocated to implement the actions. The resources are Human Resources, Financial Resources and Time.

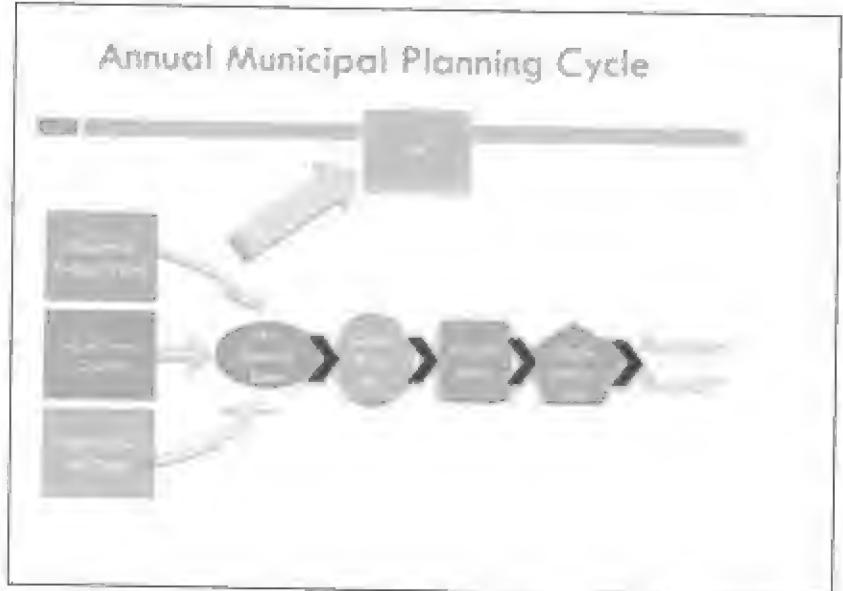
6. At this point the credibility of the goals is able to be tested for the first time. If any of the resources are not going to be available for a specific action, the plan will inevitably fail. This is where the balancing act between Plans and Ability to implement can be calculated in the measurement of Confidence.

2.3.2 The Role of the IDP Review in Context

It is within this background, as briefly highlighted in the previous section that the 3rd Generation IDP process found its point of departure.

The following diagram indicates the current process of planning in many local municipalities.

This layout of the budgetary cycle does look logical and systematic and it even includes the public's inputs as is required by legislation. However, there are several indirect issues that do not get addressed in this model. Indirect symptoms of this methodology that causes a municipality to step into an array of problematic scenarios.



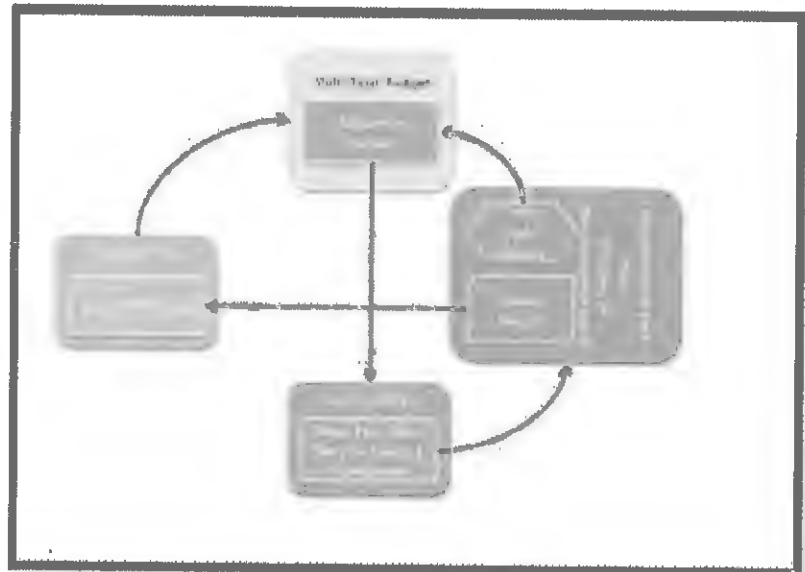
Shortages in this model can be summarized as follows:

- This process clearly identifies the latent assumption that when something is in the IDP, it can be budgeted for. This creates the problematic scenario where every item needs to be "taken up into the IDP" for purposes of allowing it to be budgeted for. The issue is not to get items into the IDP, but more of getting issues forthcoming from planning into the budget.
- Due to the annual nature of the cycle it leaves the items from the previous year that didn't make the priorities of the previous year, to compete again against new priorities. This in effect causes some items to be shifted to outer years every year. It is a risk of getting used to moving certain items out of the annual investment and cause some items to become more and more expensive as they do need to get done one or other time, but the longer the wait, the larger the cost.
- Another risk that the municipality expose themselves to in this manner of going about their business concerning the budget process, is the competition of ad-hoc items that can cause items, which might come from proper sectoral or master planning documentation, to be left out as it might not seem as an immediate issue that needs attention. The fact is actually that municipalities invest a large amount of funds on master planning documentation and when the identified issues is raised, it can get lost in the emotion of issues that might not be as important in terms of sustainable service delivery.
- Due to the annual nature of the cycle it brings the municipality in a short term planning culture. Pro-active investment is sacrificed for quick solutions.

- Even in the midst of municipalities strengthening their capacity in terms of implementation, very little of operational information is used to plan ahead. Thus a proper evaluative process is difficult as impact on development cannot be measured with no multi-year planning that is in place.
- The final issue that needs to be considered is that in this methodology, no resident or investor can get a clear perspective about what the municipality is going to do in the medium term. Except for the interest groups in general, the public would not experience a council that is accountable to what they say they are going to do. In terms of Good Governance as a strategic objective, this process fails the public as inputs given only creates expectations in the hearts of the residents and when the following year little was implemented, the question is asked by the public why they are giving inputs at all as it is not being implemented. Obviously every input can't be satisfied, but at least in a different model people can see what the council commits themselves to over a period of time.

The following diagram displays a medium term planning cycle, integrating the different processes as legislation intended it to be.

First of all the process begins with a 3-5 year plan about what every line function is going to do strategically concerning the identified issues pertaining to their field of responsibility. This allows a multi-year budget to be conceptualized. When this is done the annual targets are set and transferred into the SDBIP process that serves the platform for Departmental Performance Management that compares predetermined objectives to implementation reports. This serves as a source of performance information that guides the municipal performance evaluation, which in turn compares the outcomes of implementation to the developmental need that is experienced by the average resident walking the streets of the municipal area.



The performance reports generated by the performance management system bi-annually informs the adjustment budget after the second quarter of the financial year and at the end of the financial year it serves as departure point for the annual review of the IDP. This would then allow the review to actually fulfill its role of highlighting the differences between predetermined objectives and implementation.

While this methodology seems ideal, it has very sensitive demands.

- First of all this model can only work where all the municipal line functions have a clear understanding about their challenges and have developed reachable targets for impacting their challenges within the municipal financial capabilities.
- A high risk for this model is that the municipal "culture" of how business is done, disrupts the flow of information from one process to the other
- It also takes for granted that each process is perfectly aligned to the other and know exactly what it can ask of the previous and what is expected by the next in terms of information.

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Hessequa Municipality

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The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Table SA7 - Measurable performance objectives – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA7 Measurable performance objectives

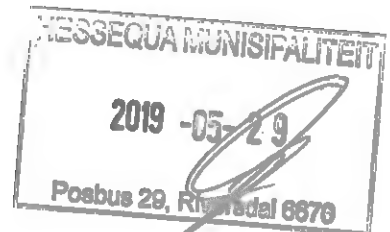
Description	Unit of measurement	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Office of the Municipal Manager										
Municipal Manager										
90% Expenditure of the Approved Capital budget for the Municipality	% of budget spent	No KPI Set	80.3%	88.7%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
90% of the Approved Operational Budget spent of the Municipality	% of operational budget spent	No KPI Set	81.3%	92.8%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Strategic Services										
Provision of electricity to residential properties connected to the municipal infrastructure network for both prepaid and credit electrical metering	Percentage of formal residential properties connected to the municipal electrical infrastructure network	100.0%	100.0%	98.8%	100.0%	90.0%	90.0%	100.0%	100.0%	100.0%
Provision of water to residential properties connected to the municipal infrastructure network for both prepaid and credit metering	Percentage of formal residential properties connected to the municipal water network	100.0%	81.4%	77.1%	100.0%	90.0%	90.0%	100.0%	100.0%	100.0%
Provision of refuse removal and solid waste disposal for residential account holders	Percentage of residential properties billed for refuse removal	100.0%	91.8%	90.7%	100.0%	90.0%	90.0%	100.0%	100.0%	100.0%
Provision of sanitation/sewage services to residential account holders	Percentage of residential properties billed for sanitation/sewage services	100.0%	93.5%	87.8%	100.0%	90.0%	90.0%	100.0%	100.0%	100.0%
The percentage of registered indigent account holders (poor households) with access to free basic services	Number of registered indigent households	100.0%	88.3%	90.1%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Development of a Integrated IDP Process Plan	Completed Process plan submitted	1	1	1	1	1	1	1	1	1
Submission of Final IDP by May 2017	IDP Submitted to Council by May 2017	No KPI Set	1	1	1	1	1	1	1	1
Submission of Risk Action Plan to Risk Management Committee	Risk Action Plan Submitted to Risk Management Committee	No KPI Set	No KPI Set	No KPI Set	1	1	1	1	1	1
Corporate Management										
Director: Corporate Management										
The percentage of people from employ men; equity target groups employed in the three highest levels of management in compliance with the Municipality's Annual Employment Equity report	% employed of target groups according to Annual Department of Labour Employment Equity report	78.0%	80.0%	88.2%	86.0%	86.0%	86.0%	86.0%	86.0%	88.0%
Review of Risk Register of Directorate and Submission to Chief Risk Officer	Reviewed risk register submitted to Chief Risk Officer	No KPI Set	No KPI Set	No KPI Set	1	1	1	1	1	1
Human Resources										
Maintain an average vacancy rate of less than 10% budgeted staff establishment	Average % vacancy rate less than 10% reported Quarterly to Portfolio committee	7.7%	6.1%	3.3%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Property Administration										
90% Expenditure of Approved budget for maintenance of Municipal Properties	% of approved budget spent	99.0%	91.1%	87.8%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Manager Legal Services										
Revision of Delegation Register by September	Reviewed municipal Delegation Register submitted	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Revision of Municipal code	Reviewed Municipal Code submitted	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Public Relations										
Review of Client Service Standards	Reviewed Client Service Standards submitted to Portfolio Committee	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Library Services										
Hold Library exhibitions in Hessequa	Number of exhibitions per year	No KPI Set	2088.00	1005.00	872.00	872.00	672.00	750.00	750.00	750.00
95% Spending of Municipal Replacement fund (Grant)	Percentage of Municipal Replacement Grant spent	95.7%	95.0%	96.7%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
IT										
Development of Book of Standards - ICT Strategy Initiatives	Completed Book of standards - Approved by Council	No KPI Set	No KPI Set	No KPI Set	1.00	1.00	1.00	1.00	1.00	1.00

Table SA7 - Measurable performance objectives – (NT – supporting tables) - CONTINUE

WC042 Hessequa - Supporting Table SA7 Measurable performance objectives										
Description	Unit of measurement	2016/18	2016/17	2017/18	Current Year 2018/19			2018/20 Medium Term Revenue & Expenditure Projections		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
Financial Services										
Borrowing Funded Services										
Submit a report on Borrowing Funds and reserves to the Financial Portfolio Committee	Number of borrowing and reserve funds reports submitted to Portfolio Committee	1	1	1	1	1	1	1	1	1
Submit a liquidity report of the Municipality to the Finance Portfolio Committee by end Feb	Number of reports submitted to Portfolio Committee	1 00	1 00	1	1	1	1	1	1	1
Unqualified Financial Audits reported by Auditor General	Number of unqualified financial audit results	No KPI Set	No KPI Set	1	1	1	1	1	1	1
Review of Risk Register of Directorate and Submission to Chief Risk Officer	Reviewed risk register submitted to Chief Risk Officer	No KPI Set	No KPI Set	No KPI Set	1	1	1	1	1	1
Income										
Management of income actual payment rate of households higher than 95%	% income annual payment rate	97.3%	97.5%	98.9%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Submit a detailed report on the status of handover accounts to PG twice a year	number of reports submitted	No KPI Set	No KPI Set	1 00	2 00	2 00	2 00	2 00	2 00	2 00
Spending										
95% Spending of Financial Management Grant	Percentage of Financial Management Grant spent	100.0%	100.0%	100.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Development Planning										
Urban Development Planning										
Quarterly report on development trends to PG	number of reports submitted to PG	No KPI Set	No KPI Set	3 00	4 00	4 00	4 00	0 04	0 04	0 04
Review of Risk Register of Directorate and Submission to Chief Risk Officer	Reviewed risk register submitted to Chief Risk Officer	No KPI Set	No KPI Set	No KPI Set	1	1	1	1	1	1
Town planning										
Examine land use applications within 120 days by the Planning Tribunal after receipt of all relevant information and documents in terms of SPLUMA	% applications evaluated within 120 days	No KPI Set	No KPI Set	100.0%	80.0%	90.0%	90.0%	100.0%	100.0%	100.0%
Examine land use applications within 90 days by the designated official, after receipt of all relevant information and documents in terms of SPLUMA	% applications evaluated within 90 days	No KPI Set	No KPI Set	100.0%	80.0%	90.0%	90.0%	100.0%	100.0%	100.0%
Building control										
Approve/stop building plans within 30 days for buildings less than 500m2 and 60 days for buildings larger than 500m2 after all information required is correctly submitted	% of plans evaluated	100.0%	100.0%	100.0%	90.0%	90.0%	90.0%	100.0%	100.0%	100.0%
Finalise occupancy certification within 14 days after receipt of all applicable information	% of certification completed within 14 days	No KPI Set	No KPI Set	No KPI Set	95.0%	95.0%	95.0%	100.0%	100.0%	100.0%
Environmental Management										
Review of the Climate Change Adaptation plan	Reviewed plan submitted	No KPI Set	1	1.00	1 00	1 00	1 00	1 00	1 00	1 00
Review the Hessequa Air Quality Management Plan	Reviewed plan submitted	No KPI Set	No KPI Set	No KPI Set	1 00	1 00	1 00	1 00	1 00	1 00
Local Economic Development and Tourism										
Submit a quarterly report/progress in terms of Economic Development programmes to PG	number of reports submitted	No KPI Set	No KPI Set	3	4	4	4	4	4	4
Submit a quarterly report/progress in terms of tourism programmes to PG	Number of reports submitted	No KPI Set	No KPI Set	3	4	4	4	4	4	4
Report Quarterly on the Glenelg Water Treatment Plant to PG	Number of reports	No KPI Set	No KPI Set	4	4	4	4	4	4	4
Infrastructure Services										
Capital Expenditure Services										
90% Expenditure of the approved Capital Budget of the Infrastructure Services Department	% capital budget spent	83.8%	87.0%	87.1%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
90% Expenditure of the approved Operational Budget of the Infrastructure Services Department	% of expenditure budget spent	87.0%	87.0%	85.9%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
Review of Risk Register of Directorate and Submission to Chief Risk Officer	Reviewed risk register submitted to Chief Risk Officer	No KPI Set	No KPI Set	No KPI Set	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Control and Mechanical Services										
Limit electricity losses to 10%	% unaccounted electricity limited to less than 10%	9.6%	9.3%	10.70%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
95% Expenditure of National Electrification Grant spent	95% of Electrification Grant spent	100.0%	18.0%	100.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Sanitation, Solid Waste, Potholes and Pavement										
Potholes Report to Portfolio Committee regarding the City Centre	Number of reports	No KPI Set	No KPI Set	No KPI Set	2	2	2	2	2	2
City Infrastructure Services										
Limit water losses to less than 30%	% of water losses	No KPI Set	12.0%	12.8%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
Number of FTEs (full time employment) created through EMP	Number of FTEs created through EMP	No KPI Set	81 00	82 00	85 00	85 00	70 00	70 00	70 00	70 00
City Planning and Project Management										
95% expenditure of the Municipal Infrastructure Grant (MIG)	% of Grant spent	83	74	100%	95%	95%	95%	95%	95%	95%
Submission of Solid Waste Management Report to Portfolio Committee	Report submitted	No KPI Set	No KPI Set	No KPI Set	1	1	1	1	1	1

Table SA7 - Measurable performance objectives – (NT – supporting tables) - CONTINUE

WC042 Hessequa - Supporting Table SA7 Measurable performance objectives										
Description	Unit of measurement	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Community Services										
Director Community Services										
Director Community Services										
Review of Risk Register of Directorate and Submission to Chief Risk Officer	Reviewed risk register submitted to Chief Risk Officer	No KPI Set	No KPI Set	No KPI Set	1	1	1	1	1	1
Human Settlements										
Review the housing Pipeline in Collaboration with the Department of Human Settlements	Housing pipeline reviewed and submitted to Portfolio Committee	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Scheduled outreach programmes for all towns to update housing waiting lists	Number of outreach conducted	No KPI Set	7.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Community Development										
Implementation of Social development initiatives	Number of initiatives conducted	18.00	24.00	21.00	12.00	12.00	12.00	12.00	12.00	12.00
Implementation of Sport Development Initiatives	Number of initiatives conducted	12.00	12.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Implement the Thusing Outreach Programme	Number of mobile outreach units/as conducted	8.00	5.00	8.00	6.00	6.00	6.00	6.00	6.00	6.00
Protection Services										
Receive a performance of not less than 80% for the formal Provincial Audits on the Licensing Agency Services	Average % achieved in AUs	93.00%	85.23%	87.80%	80.00%	80.00%	80.00%	80.00%	80.00%	80.00%
Conduct integrated vehicle checkpoints	Number of checkpoints per quarter	21	9.00	32	12	12	12	12	12	12
Establishment of Fire Fighting Service by the procurement of Equipment by 80% of the capital budget spent for 2017/18	% of Capital budget for Fire Fighting Services spend	No KPI Set	15%	77.67%	80.00%	80.00%	80.00%	80.00%	80.00%	80.00%



2.4 PERFORMANCE INDICATORS AND BENCHMARKS

The following table sets out the municipalities main performance objectives and benchmarks for the 2019/20 MTREF.

Table SA8: - Performance indicators and benchmarks – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA8 Performance Indicators and benchmarks

Description of financial indicator	Basis of calculation	2016/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid / Operating Expenditure	7.4%	3.1%	8.5%	7.7%	8.1%	8.1%	8.1%	8.5%	9.2%	8.9%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing / Own Revenue	8.0%	3.3%	9.5%	9.2%	9.7%	9.7%	9.3%	9.9%	11.2%	11.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	78.2%	0.3%	0.3%	84.1%	48.0%	48.0%	48.0%	67.2%	69.4%	71.7%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	436.7	454.0	383.1	612.9	504.8	504.8	504.8	585.7	784.8	814.8
Liquidity											
Current Ratio	Current assets/current liabilities	1.8	2.5	2.8	2.0	2.4	2.4	2.4	2.1	1.8	1.4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.8	2.5	2.8	2.0	2.4	2.4	2.4	2.1	1.8	1.4
Liquidity Ratio	Monetary Assets/Current Liabilities	1.5	2.0	2.3	1.5	1.8	1.8	1.8	1.8	1.3	0.9
Revenue Management											
Annual Debtors Collection Rate (Payment Latency %)	Last 12 Mths Receipts/Last 12 Mths Billing		98.6%	98.7%	98.9%	98.9%	98.0%	98.0%	92.0%	96.0%	98.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		98.8%	98.7%	98.9%	98.0%	98.0%	98.0%	92.0%	98.0%	98.0%	98.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	10.7%	11.3%	12.8%	10.8%	11.7%	11.7%	11.3%	10.5%	9.7%	9.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MPMA/ 60(e))										
Creditors to Cash and Investments		21.4%	25.8%		47.8%	38.8%	38.8%	38.8%	40.4%	51.2%	73.7%
Other Indicators											
Electricity Distribution Losses (%)	Total Volume Losses (kWh)	8 579 883	8 280 400	8 200 000	8 181 900	8 181 900	8 181 900	8 181 900	8 420 000	8 420 000	8 420 000
	Total Cost of Losses (Rand '000)	7 906		8 838	8 765	8 765	8 755	8 755	9 009	9 009	9 009
	% Volume (units purchased and generated less units sold)/units purchased and generated	10%	9%	10%	9%	9%	9%	9%		9%	9%
Water Distribution Losses (%)	Total Volume Losses (lit)	402	203	650	640	640	640	640	638	638	638
	Total Cost of Losses (Rand '000)	909	940	1 325	1 172	1 172	1 172	1 172	1 172	1 172	1 172
	% Volume (units purchased and generated less units sold)/units purchased and generated	23%	12%	29%	12%	12%	12%	12%	12%	12%	12%
Employee costs	Employee costs/(Total Revenue - capital revenue)	31.5%	29.4%	35.4%	36.7%	35.9%	35.9%	34.5%	38.7%	37.6%	37.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	33.1%	30.9%	37.1%	38.5%	37.7%	37.7%		40.4%	38.3%	38.7%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4.2%	14.8%	16.3%	16.9%	16.7%	16.7%		17.3%	17.3%	16.8%
Finance charges & Depreciation	FC&M/(Total Revenue - capital revenue)	10.4%	10.0%	11.8%	12.3%	12.4%	12.4%	11.9%	11.7%	11.8%	11.5%
IDP resolution financial viability indicators											
I. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	22.4	10.4	18.0	18.2	18.2	18.2	13.5	12.2	12.5	13.4
II. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for service	15.8%	18.8%	18.9%	18.0%	18.0%	18.0%	18.8%	14.8%	13.9%	13.2%
III. Cost coverage	(Available cash + investments)/monthly fixed operational expenditure	9.1	7.3	7.8	4.5	5.7	5.7	5.7	4.5	3.6	2.6

2.4.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its credit worthiness and financial position. As with all other municipalities, Hessequa Municipality's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the Municipality's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2019/20 MTREF:

- *Capital charges to operating expenditure* are a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing has gradually increased from 7.4% in 2015/16 to 8.5% in the 2019/20 financial year. For the two outer years of the 2019/20 MTREF it steadily increases. (This includes the rewinding of interest of Landfill Sites)

Requirements of the Borrowing Funds and Reserves Policy

- In terms of the Borrowing Funds and Reserves Policy interest and redemption paid to Total Expenditure not to exceed 8%. Total Long-term Debt to Total Operating Revenue (excluding conditional grants and transfers) not to exceed 35%
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The average over MTREF is 71.9%.

2.4.2 Liquidity

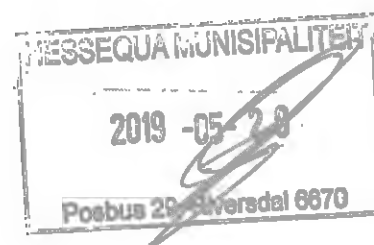
- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a limit of 1.5:1, the ratio over the MTREF period is above this benchmark.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. The pre-audit outcome is 1.8. For the first year of the 2019/20 MTREF period the ratio is 1.6, 1.3 in 2020/21 and 0.9 in 2021/22.

2.4.3 Revenue Management

As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.

2.4.4 Creditors Management

The Municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice.



2.4.5 Other Indicators

- The electricity distribution losses have been managed constantly between 9% - 10% over the past years and kept at 9% over the 2019/20 MTREF period. The initiatives to ensure these targets are achieved include managing illegal connections and theft of electricity by rolling out smart metering systems, including prepaid meters.
- The water distribution losses have gradually decreased from 29% in 2017/18 to 12% over the 2019/20 MTREF period. The municipality is committed to its initiatives that monitor these losses and to prevent these losses.
- Employee costs as a percentage of operating revenue is 38.7% for 2019/20. (excl. councillors)
- Repairs and maintenance as percentage of operating revenue is 17.3% in 2019/20 and decrease to 16.9% in 2020/21.

2.5 PROVIDING CLEAN WATER AND MANAGING WASTE WATER

The following information is provided as requested in terms of Circular 58 from National Treasury.

Name of the Water Service Authority in the area and the name of the Water Service Provider, and who actually manages the provision of drinking water and waste water management (if sourced).

Hessequa Municipality is the Water Service Authority who manages the provision of drinking Water and Waste water. Hessequa Municipality is also the Water Service Provider for all the ten towns in the Hessequa Municipal area. Water is purchased from Overberg Water board for Heidelberg, Slangrivier and Witsand, and water is purchased from the Korrentepoort Water board for Riversdale. The other towns Albertinia; Still Bay; Gouritsmond; Vermaaklikheid; Melkhoutfontein; Jongensfontein receives water from various boreholes; fountains and overland flow.

Hessequa Municipality manages the water and waste water quality in terms of compliance to the relevant legislation. Regular tests are carried out on the plants as part of the daily operational routines. Tests are also carried monthly by an external services provider. The results of these tests are reported to the Technical Services Committee of Council on a monthly basis.

The towns where these processes are performed is listed below:

- Albertinia
- Gouritsmond



- Still Bay
- Melkhoutfontein
- Jongensfontein
- Riversdale
- Garcia
- Heidelberg
- Slangrivier
- Witsand

The Water Safety Plan will be revised in the 19/20 financial year.

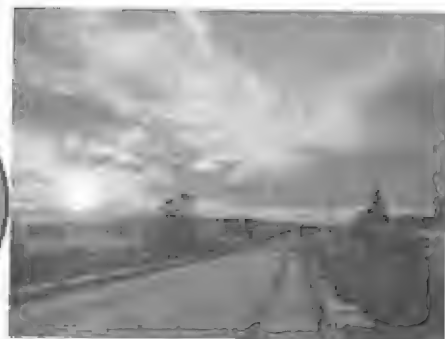
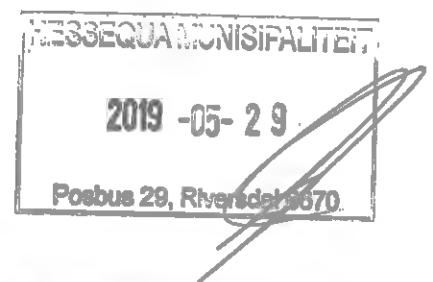
The water and sewage master plans will be revised during 2019.

The responsibility of the municipality is to ensure that:

1. Personnel appointed meet the requirements as stipulated by the Department of Water Affairs (process controllers, supervisors) with regards to the level of education.
2. Adequate funding is provided for maintenance with regards to calibration of bulk meters and purchasing of operational monitoring equipment.
3. Funding is provided for the maintenance and rehabilitation of infrastructure.

A Desalination Plant was completed at Witsand by the end of 2018. The plant uses solar generation and could be operated in hybrid mode because it is also connected to the electrical power grid. Water of excellent quality is provided to the Witsand community from this plant. The result is also an improvement of the water quality because it is mixed with the water supplied from the Overberg Water Board and boreholes.

Local staff was trained in the operation of the plant. Provision is made on the operational budget for the maintenance of the plant.



2.6 OVERVIEW OF BUDGET RELATED - POLICIES/BY-LAWS

Budgets are prepared in accordance with approved policies. A budget-related policy is a municipal policy affecting or affected by the annual budget of the municipality. These policies are necessary for effective financial management and the achievement of priorities and strategic goals of the community. All the mentioned policies are available on the Municipality's website.

The following policies/by-laws were reviewed and work shopped with the public:

1. Property Rates Policy & By-Law
Prescribes uniform rates structures to give effect to its strategic objectives in terms of the IDP and Budget requirements.
2. Credit Control and Debt Collection Policy & By-Law
Sets a revenue collection target and outlines how the municipality will act against defaulters. It also specifies the framework for providing relief from the burden of rates and tariffs to registered or otherwise identified indigents.
3. Indigent Policy
Ensures that the subsidy scheme for indigent households forms part of the financial management system of the Municipality and to ensure that the same procedures is followed for each individual case.
4. Principles and Policy on Tariffs and Free Basic Services Policy & By-Law
Prescribe uniform tariff structures on the levying of fees for municipal services.

The following policies were reviewed Internally by Departments but no amendments were made.

1. Cash Management and Investment Policy
The policy is aimed at gaining the optimal return on investments, without incurring undue risk, during those periods when cash revenues are not needed for capital or operational purposes.
This policy was reviewed on 3 April 2019 by Council i.e transfer of cash from pay points to the bank.

Insert the following under point 4. Banking of receipts:-

- 4.3 The transfer of cash from all municipal pay points for depositing into the municipal bank account be handled by security firms. The security firm is therefore responsible for all monies from municipal pay points to correct depositing at the bank.
2. Asset Management Policy
Includes depreciation norms and maintenance requirements.
3. Virement Policy
The policy is aimed at virement of Councils budget during the year.

4. Liquidity Policy

The Liquidity Policy sets out the minimum risk management measures that Hessequa Municipality has to implement and adhere to in order to ensure that its current and future liquidity position is managed in a prudent manner.

5. Borrowing Funds & Reserve Policy

The documented Borrowing, Funds and Reserves Policy, sets out the framework for the prudent use of Borrowing, Funds and Reserves available to Hessequa Municipality.

6. Supply Chain Management Policy

Demand, acquisition, disposal and logistics around the procurement of goods and services.

2.7 OVERVIEW OF BUDGET ASSUMPTIONS

2.7.1 Salaries and Allowances

Based on the Bargaining Council agreement, salary increases (excluding new posts and notches) have been calculated into this budget at a percentage increase of 6.5% for the 2019/20 financial year.

2.7.2 Bulk Purchases**Electricity**

Electricity tariffs of Eskom will increase by 15.63% as from 1 July 2019

2.7.3 Interest Rates for borrowing and investment of funds

The interest rates used over the 2019/2020 MTREF period were 10,5%, 11% and 11.5% accordingly.

The expected interest rate for investments were calculated at approximately 7,5 – 8,5 % per annum.

2.7.4 Collection Rate

It is assumed that the collection rate will be between 95% and 98%. The collection rate used over the MTREF period is 98.0%. (Rates and service charges)

2.7.5 Grants

The National and Provincial grants as per Division of Revenue Act (DORA) which has been included in the budget will be received during 2019/20 financial year.

2.7.6 Credit Rating

The credit rating of the Municipality is BBB+. This rating was determined in the financial plan of the municipality conducted by INCA

2.8 OVERVIEW OF BUDGET FUNDING

2.8.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

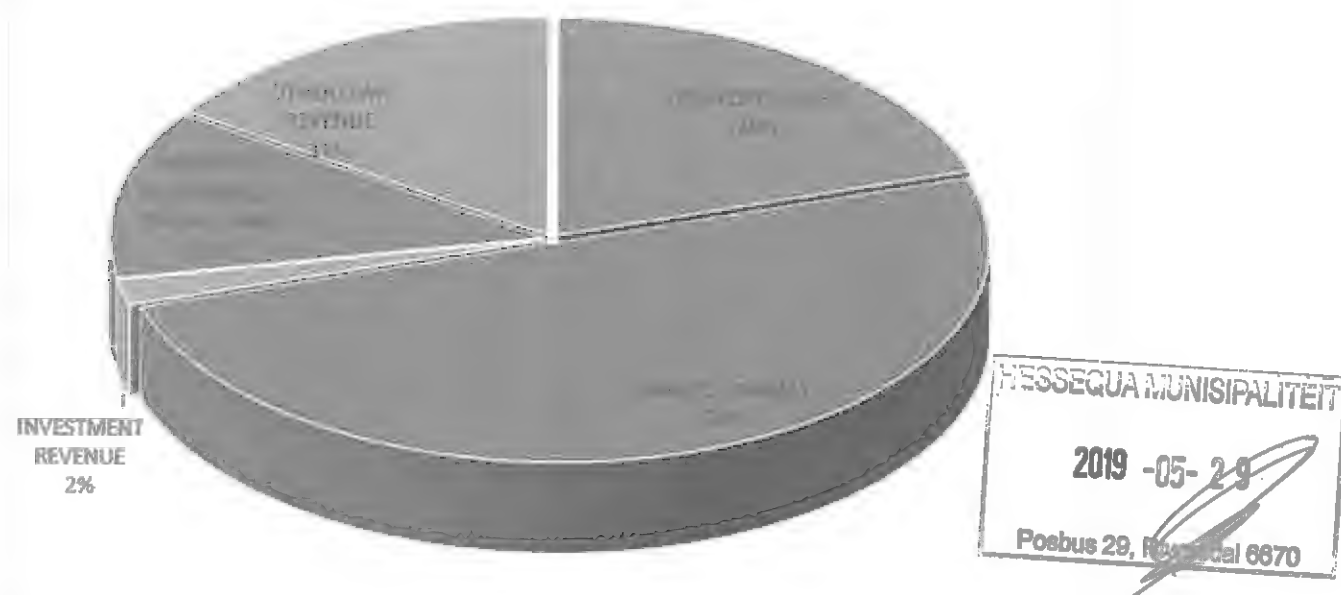
Breakdown of the operating revenue over the medium-term

WC042 Hessequa - Table A1 Budget Summary

Description	2015/16	2016/17	2017/18	Current Year 2018/19				2018/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Financial Performance										
Property rates	88 837	70 988	78 149	84 885	84 885	84 905	84 885	84 537	101 083	108 828
Service charges	173 413	188 958	201 489	213 828	213 828	213 828	233 544	245 124	284 881	288 086
Investment revenue	12 837	18 084	17 569	5 628	5 628	5 628	5 628	8 688	8 723	8 729
Transfers recognised - operational	52 392	82 641	80 345	85 781	82 368	82 368	82 368	59 137	74 894	87 106
Other own revenue	85 228	94 403	68 852	93 210	93 210	93 210	93 210	74 174	78 418	82 914
Total Revenue (excluding capital transfers and contributions)	380 808	435 084	434 794	453 282	459 890	459 890	479 814	481 779	528 607	574 852

The following graph is a breakdown of the operational revenue per main category for the 2019/20 financial year. (As per above table)

Budget year 2019/20



Tariff setting plays a major role in ensuring desired levels of revenue. The Municipality derives most of its operational revenue from the provision of goods and services such as water, electricity, sanitation and solid waste removal. Property rates, operating and capital grants from

organs of state, and other minor charges (such as building plan fees, licenses and permits etc.) contribute to the total revenue budget.

The table below provides detailed investment information and investment particulars by maturity.

Table SA15: – Detail Investment Information – (NT supporting tables)

WC042 Hessequa - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		203 508	200 380	216 415	148 705	187 089	187 089	155 099	134 752	102 340
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	203 508	200 380	216 415	148 705	187 089	187 089	155 099	134 752	102 340
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		203 508	200 380	216 415	148 705	187 089	187 089	155 099	134 752	102 340

2.8.2 Medium-term Outlook: Capital Revenue

The following table is a breakdown of the funding composition of the 2019/20 Medium-term capital program.

WC042 Hessequa - Supporting Table A5 Budgeted Capital Expenditure by Vote, Standard Classification and Funding Source

Vote Description											
Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework			
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Funded by:											
National Government		31 035	87 833	23 846	15 189	15 539	15 539	15 539	14 953	14 884	15 978
Provincial Government		652	1 248	2 288	335	8 432	8 432	8 432	1 291	530	61
District Municipality				35	-	317	317	317	-	-	-
Other transfers and grants			73	221	1 000	5 737	5 737	5 737	-	-	-
Transfers recognised - capital	4	31 687	89 984	26 380	16 524	24 028	24 028	24 028	16 243	15 194	16 039
Borrowing	6	47 539	28 480	27 423	70 894	49 020	49 020	49 020	56 362	43 556	37 800
Internally generated funds		6 841	4 723	8 508	13 365	13 432	13 432	13 432	27 803	19 193	14 885
Total Capital Funding	7	85 967	123 185	62 300	100 582	82 477	82 477	82 477	118 490	77 943	68 723

Borrowing is a significant funding source for the capital programme over the 2019/20 MTREF Budget, i.e 60.1%, 55.9% and 55.0% of the total funding of the capital budget for each of the respective financial years of the MTREF.

The following table is a detailed analysis of the Municipality's borrowing liability.

Table SA 17: -Detail of borrowings – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA17 Borrowing

Borrowing - Categorized by type	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Parent municipality										
Annuit and Bullet Loans										
Long-Term Loans (non-annuity)		107 294	111 557	94 134	150 775	124 134	124 134	188 483	187 918	200 137
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	107 294	111 557	94 134	150 775	124 134	124 134	188 483	187 918	200 137
Entities										
Annuit and Bullet Loans										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	107 294	111 557	94 134	150 775	124 134	124 134	188 483	187 918	200 137

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Table SA 18 - Capital transfers and grant receipts – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		37 908	40 121	41 080	44 734	44 364	44 364	47 404	50 528	54 735
Local Government Equitable Share		31 529	34 558	37 887	40 885	40 885	40 885	44 063	47 469	51 230
Finance Management		1 460	1 475	1 550	1 530	1 530	1 530	1 550	1 550	1 550
Municipal Systems Improvement		930								
Dme / Mig Admin Staff Member										
Integrated National Electrification Programme		3 000	3 000	1 000	800	284	284		800	1 200
Epwp Incentive		1 000	1 088	1 033	1 028	1 028	1 028	1 108		
Mig 5% Administration Portion Of Mig					673	673	673	803	709	745
Vat On National Conditional Operating Grants										
Vat On Operating Grants National										
Flood Disaster Relief (National)										
Mig Operating Grant Expenditure										
Flood Disaster - Project Manager- Admin										
Expanded Public Works Programme Integrated Grant		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant (So		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		17 308	37 950	28 348	8 958	16 908	16 908	10 890	23 308	31 329
Housing		9 657	28 119	3 587	750	6 855	6 855	1 382	12 450	21 000
Sport And Recreation										
Flood Disaster Prov Road Maint, Cdw, Libraries, Land, Water, Hse, Dme										
Flood Disaster Fund										
Public Transport and Systems										
Dept Of Transport - Main Road Maintenance		95	111	111	110	110	110	103	118	118
Cdw Support Grant										
Library Extended Staff Levels Grant (Conditional Grant)										
Library Personnel Expenditure Grant (Vulnerable Municipalities)										
Thusong Centre										
Financial Management										
Pgwr Risk Management / Internal Audit										
Pgwr Performance Management System										
Vat On Operating Grants Provincial										
Pgwr Tariff Structure Investigation										
Pgwr Capacity Building Grant		300	120	240	380	380	380	380		
Pgwr Greening Develop. Grant Tun Op Die Brak				60						
Greenet Municipality Competition Environmental A		130	130	-						
Financial Management Support (WC_FMSG)		853	-	330	330	80	80			
Other Capacity Building Grant						234	234			
Thusong Support Grant		100							100	
Pgwr Graduate Internship Grant/Capacity Building		287	80	80						
Drought Support grant			1 000	7 500						
Fire Service Capacity Building Grant			1 200							
Community Development Workers					19					
Electoral Master Plan										
Capacity Building										
Housing										
Library Service		6 407	7 010	7 884	8 388	8 144	8 644	8 725	10 540	10 202
Public Transport										
Replacement Funding										
Municipal Systems Improvement				600						
Other Capacity Building			200			824	824			
District Municipality:		-	-	-	-	-	-	-	-	-

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Table SA 18 - Capital transfers and grant receipts – (NT – supporting tables) - continue

WC042 Hessequa - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Other grant providers:		1 278	148	412	1 059	1 076	1 076	1 143	1 059	1 069
Sets/Disaster Relief/ Trade Union		441	128	372	1 049	1 049	1 049	1 049	1 049	1 049
Business Engineering, Continuous Cultural Projects		10			10	10	10	10	10	10
Other: Aale										
Other: Lotto		527								
Heritage Western Cape										
Arbor City Award (Total)		300						24		
Africans centre			17							
Mining Companies		-	-	-						
Unspecified		-	-	40		17	17	60		
Total Operating Transfers and Grants	5	66 466	76 216	61 840	66 751	62 368	62 368	69 137	74 894	87 105
Capital Transfers and Grants										
National Government:		58 115	43 023	25 332	16 189	16 539	16 539	14 953	14 664	15 978
Municipal Infrastructure Grant (Mig)		13 332	13 023							
Public Transport And Systems					2 400	2 737	2 737	1 885	1 200	1 800
Integrated National Electrification Programme										
Municipal Infrastructure Grant (Mig)				13 813	12 789	12 789	12 789	12 989	13 464	14 178
Flood Disaster		39 325	30 000							
Dept Of Mineral And Energy (Dme)				11 519						
Regional Bulk Infrastructure										
Expanded Public Works Program - Nat Grant										
Dept Water Affairs		3 458								
Municipal Systems Improvement										
Financial Management Grant						14	14			
Other capital transfers/grants [Insert desc]										
Municipal Disaster Grant [Schedule 6B]										
Provincial Government:		-	-	-	335	8 432	8 432	1 291	530	61
Disaster and Emergency Services		-	-	-		7 762	7 762	830		
Financial Management		-	-	-		250	250			
Housing		-	-	-						
Human Settlement Development		-	-	-						
Libraries, Archives and Museums		-	-	-						
Libraries, Archives and Museums		-	-	-						
Library Service		-	-	-	335	335	335	131	530	61
Municipal Systems Improvement		-	-	-						
Other		-	-	-		66	66			
Greenest Municipality Competition		-	-	-						
Environmental Affairs & Planning		-	-	-		16	16			
Financial Management Support (WC_FMG8G)		-	-	-				330		
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	1 000	5 737	5 737	-	-	-
Agency Francaise de Development		-	-	-						
Foreign Government and International Organisations		-	-	-		4 500	4 500			
Mining Companies		-	-	-						
Private Enterprises		-	-	-	1 000	1 000	1 000			
Product		-	-	-		237	237			
Unspecified		-	-	-						
Total Capital Transfers and Grants	5	66 115	43 023	25 332	16 624	29 708	29 708	16 243	15 194	16 038
TOTAL RECEIPTS OF TRANSFERS & GRANTS		112 611	121 239	87 172	72 275	92 076	92 076	75 380	90 088	103 144

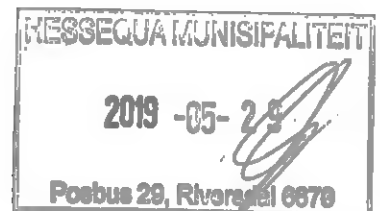
2.8.3 Cash Flow Management

Table A7: - Budget cash flow statement (NT – supporting tables)

WC042 Hessequa - Table A7 Budgeted Cash Flows

Description	Ref	2015/16	2016/17	2017/18	Current Year 2019/20				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcomes	Audited Outcomes	Audited Outcomes	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		66 375	70 187	78 165	83 187	83 187	83 187	83 187	92 784	99 868	107 632
Service charges		165 964	185 482	194 872	209 850	209 850	209 850	209 850	240 222	268 584	280 984
Other revenue		80 385	83 784	83 231	85 187	85 187	85 187	85 187	35 649	37 654	39 776
Government - operating	1	52 444	78 191	80 346	55 751	62 567	62 567	62 567	59 139	74 894	87 105
Government - capital	1	59 637	82 895	84 314	15 524	80 026	80 026	80 026	16 243	85 894	16 039
Interest		13 672	19 616	18 908	7 088	7 088	7 088	7 088	10 357	10 559	10 710
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(250 517)	(283 618)	(305 691)	(357 146)	(380 918)	(380 918)	(380 918)	(389 060)	(447 611)	(491 488)
Finance charges		(13 855)	(17 723)	(18 822)	(14 679)	(21 180)	(21 180)	(21 180)	(21 535)	(28 559)	(27 923)
Transfers and Grants	1	(885)	(885)	(1 065)	(987)	(1 107)	(1 107)	(1 107)	(1 187)	(1 428)	(1 288)
NET CASH FROM/(USED) OPERATING ACTIVITIES		123 148	116 358	83 378	34 534	44 483	44 483	44 483	32 588	35 146	20 872
CASH FLOW FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		833	1 301	830	2 500	2 500	2 500	2 500	2 595	2 643	2 684
Decrease (increase) in non-current debtors		24	-	-	2	2	2	2	-	-	-
Decrease (increase) other non-current receivables		1	3	8	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(85 894)	(122 238)	(82 158)	(94 595)	(92 477)	(92 477)	(92 477)	(110 408)	(77 843)	(88 733)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(85 236)	(120 935)	(81 317)	(91 864)	(89 975)	(89 975)	(89 975)	(107 814)	(75 305)	(86 038)
CASH FLOW FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		44	105	111	-	-	-	-	-	-	-
Borrowing long term/refinancing		43 000	-	-	70 694	30 000	30 000	30 000	83 282	43 558	37 900
Increase (decrease) in consumer deposits		872	2 030	1 965	210	210	210	210	441	483	488
Payments											
Repayment of borrowing		(11 639)	(5 434)	(15 738)	(15 738)	(17 421)	(17 421)	(17 421)	(20 513)	(24 121)	(25 581)
NET CASH FROM/(USED) FINANCING ACTIVITIES		32 276	7 589	(13 672)	35 166	12 789	12 789	12 789	43 190	19 888	12 706
NET INCREASE/ (DECREASE) IN CASH HELD		70 188	4 994	8 991	(2 164)	(32 723)	(32 723)	(32 723)	(52 037)	(20 258)	(32 982)
Cash/cash equivalents at the year begin:		138 700	208 788	211 779	148 889	219 880	219 880	219 880	187 137	155 089	134 844
Cash/cash equivalents at the year end:		208 788	211 779	219 880	147 708	187 137	187 137	187 137	155 089	134 844	101 862

Cash and cash equivalents totals R155,099 million as at the end of the 2019/20 financial year and decrease to the amount of R134,844 million in 2020/21.



2.8.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

Table A8 - Cash backed reserves/accumulated surplus reconciliation – (NT- supporting tables)

WC042 Hessequa - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash and Investments available											
Cash/cash equivalents at the year end	1	208 785	211 779	219 860	147 706	187 137	187 137	187 137	155 069	134 944	102 483
Other current investments > 90 days		0	(0)	(0)	(1 000)	(48)	(48)	(48)	(0)	(82)	(142)
Non current assets - investments	1	-	-	-	-	-	-	-	-	-	-
Cash and Investments available:		208 785	211 779	219 860	146 706	187 089	187 089	187 089	155 069	134 862	102 341
Application of cash and investments											
Unspent conditional transfers		68 867	21 261	12 560	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	10 102	13 187	4 146	10 337	22 975	22 975	25 155	17 174	22 816	28 200
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		68 869	34 448	16 706	30 337	22 975	22 975	25 155	17 174	22 816	28 200
Surplus(shortfall)		139 916	177 331	203 154	116 369	164 114	164 114	161 934	137 895	111 946	74 141

- Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year.
- There is no unspent borrowing from the previous financial years.
- The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due.

It can be concluded that the Municipality has a surplus in 2019/20 MTREF as there is a gradual decrease over the MTREF period.

2.8.5 Funding compliance measurement

Table SA10: – Funding compliance measurement – (NT – supporting tables)

WC042 Hessequa Supporting Table SA10 Funding measurement

Description	MPFA section	Ref	2016/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	208 785	211 779	219 860	147 706	187 137	187 137	187 137	155 069	134 944	102 483
Cash + investments at the year end less applications - R'000	18(1)b	2	139 916	177 331	203 034	116 369	164 114	164 114	161 934	137 895	111 936	74 140
Cash year end monthly employee/supplier payments	18(1)b	3	8.1	7.3	7.9	4.5	6.7	6.7	6.7	4.6	3.2	2.1
Surplus/(Deficit) excluding depreciation effects: R'000	18(1)	4	57 869	139 805	82 463	31 036	30 389	30 389	30 004	831	(10 857)	(12 864)
Service charge rev % change - macro CPK target exclusive	18(1)(a)(2)	5	N.A.	2.8%	1.8%	0.0%	(0.0%)	(0.0%)	0.6%	7.7%	1.9%	2.0%
Cash receipts % of Ratepayer & Other revenue	18(1)(a)(2)	6	86.0%	85.1%	87.0%	84.2%	84.2%	84.2%	80.2%	88.6%	88.7%	88.3%
Debt impairment expense as a % of total billable revenue	18(1)(a)(2)	7	16.0%	18.3%	12.3%	18.0%	18.0%	18.0%	18.7%	12.2%	11.7%	11.4%
Capital payments % of capital expenditure	18(1)(a)(2)	8	88.9%	88.3%	88.8%	83.8%	100.0%	100.0%	103.7%	87.2%	88.4%	71.7%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)(a)	9	78.1%	0.0%	0.0%	84.1%	48.0%	48.0%	50.7%	100.0%	100.0%	100.0%
Grants % of Govt. legislated/gazetted allocations	18(1)(a)	10	N.A.	N.A.	N.A.	(10.0%)	12.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - Incr/decr	18(1)(a)	11	N.A.	24.3%	8.3%	(10.0%)	12.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Long term receivables % change - Incr/decr	18(1)(a)	12	N.A.	(17.0%)	(32.1%)	(0.2%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(v)(i)	13	2.4%	8.4%	8.9%	9.0%	9.2%	9.2%	10.1%	9.2%	9.7%	9.8%
Asset renewal % of capital budget	20(1)(v)(i)	14	77.5%	81.4%	16.7%	6.0%	5.4%	5.4%	0.0%	10.8%	7.7%	7.9%

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2.9 EXPENDITURE ON GRANTS AND RECONCILIATIONS OF UNSPENT FUNDS

Table SA19: - Expenditure on transfers and grant programmes – (NT – supporting tables)

WC642 Hessequa - 8 Supporting Table SA19 Expenditure on transfers and grant programmes										
Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		35 189	36 311	40 123	44 734	44 384	44 384	47 404	50 628	54 726
Local Government Equitable Share		31 629	34 556	37 467	40 686	40 686	40 686	44 063	47 469	51 230
Finance Management		1 460	1 475	1 550	1 550	1 536	1 536	1 560	1 560	1 550
Municipal Systems Improvement		830								
Dms / Mig Admin Staff Member										
Integrated National Electrification Programme			539		600	264	264		800	1 200
Ewp p Incentive		1 205	1 088	395	1 026	1 026	1 026	1 108		
Mig 5% Administration Portion Of Mig			651	891	673	673	673		708	746
Vat On National Conditional Operating Grants										
Vat On Operating Grants National										
Flood Disaster Relief (National)										
Mig Operating Grant Expenditure										
Flood Disaster - Project Manager- Admin										
Expanded Public Works Programme Integrated Grant	79									
Local Government Financial Management Grant (Schedule 6B)										
Municipal Infrastructure Grant										
Provincial Government:		17 697	24 884	19 934	9 988	16 908	16 908	18 990	23 398	31 330
Housing		9 657	17 113	11 006	750	6 885	6 885	1 382	12 460	21 000
Support Fund Provincial:										
Flood Disaster, Prov Road, Maint, Cdr, Libraries, Land, Water, Hse, Dms										
Flood Disaster Fund										
Public Transport and Systems										
Dept Of Transport - Main Road Maintenance	95	111	111	110	110	110	108	118	118	
Cdr Support Grant										
Library Extended Staff Levels Grant (Conditional Grant)										
Library Personnel Expenditure Grant (Vulnerable Municipalities)										
Thusong Centre	5									
Financial Management										
Pgwr- Risk Management / Internal Audit										
Pgwr Performance Management System										
Vat On Operating Grants Provincial										
Pgwr Tariff Structure Investigation										
Pgwr Capacity Building Grant	646	65	91	360	360	360	111			
Pgwr Greening/Develop Grant Tun Op De Brak		123								
Greenest Municipality Competition Environmental A	195		42							
Financial Management Support (WC_FMGSG)	617	195	317	330	80	80				
Other Capacity Building Grant						234	234			
Thusong Support Grant										
Pgwr Graduate Internship Grant/Capacity Building									100	
Drought Support grant										
Fire Service Capacity Building Grant										
Community Development Workers					19					
Electrical Master Plan										
Capacity Building										
Housing										
Library Service	5 479	5 355	7 669	8 369	8 644	8 644	8 725	10 640	10 202	
Public Transport										
Replacement Funding										
Municipal Systems Improvement		82	600							
One Capacity Building			98		824	824				
District Municipality:										
Housing										
Other grant providers:										
Seta/Disaster Relief/ Trade Union	1 276	148	412	1 859	1 876	1 876	1 143	1 688	1 688	
Business Engineering Continuous Cultural Projects	441	128	372	1 048	1 048	1 048	1 048	1 048	1 048	
Other/ Loto	10			10	10	10	10	10	10	
Other/Lotto	527									
Heritage Western Cape										
Arbor City Award (Total)	300							24		
Altoons centre			17							
Mining Companies										
Unspecified				40		17	17	60		
Total operating expenditure of Transfers and Grants		54 188	62 516	60 479	66 791	62 368	62 368	66 137	74 884	87 165

Table SA 20: - Reconciliation between of transfers, grant receipts and unspent funds – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		37 908	40 121	41 080	44 734	44 384	44 384	47 378	50 528	54 728
Conditions met - transferred to revenue		-	-	2 583	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		17 309	37 850	20 348	9 058	18 908	18 908	10 920	23 308	31 320
Conditions met - transferred to revenue		-	-	21 121	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts		1 278	145	412	1 059	1 078	1 078	1 119	1 059	1 059
Conditions met - transferred to revenue		-	-	194	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total operating transfers and grants revenue		-	-	23 838	-	-	-	-	-	-
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		58 116	43 023	25 332	15 189	15 539	15 539	14 981	14 864	15 978
Conditions met - transferred to revenue		-	-	25 517	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	335	8 432	8 432	861	14 030	81
Conditions met - transferred to revenue		-	-	1 021	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
District Municipality:										
Balance unspent at beginning of the year						317	317	-	-	-
Current year receipts		-	-	-	-	317	317	-	-	-
Conditions met - transferred to revenue		-	-	-	-	317	317	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	1 000	5 737	5 737	-	-	-
Conditions met - transferred to revenue		-	-	-	1 000	5 737	5 737	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue		-	-	26 538	1 009	8 955	8 955	-	-	-
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		-	-	50 376	1 009	8 955	8 955	-	-	-
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-



2.10 COUNCILLOR AND EMPLOYEE BENEFITS

Table SA22: - Summary of councillor and staff benefits – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/20	Budget Year +1 2019/21	Budget Year +2 2021/22
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages										
Pension and UIF Contributions		179	529	423	485	485	485	443	474	507
Medical Aid Contributions				216	216	216	216	280	300	321
Motor Vehicle Allowance		1 421	1 251							
Cellphone Allowance		364	419	524	823	823	823	731	782	836
Housing Allowances										
Other benefits and allowances		4 063	4 285	6 041	6 548	6 548	6 548	6 876	7 368	7 873
Sub Total - Councillors		6 047	6 484	7 202	8 059	8 058	8 058	8 330	8 814	9 538
% Increase	4		7.2%	11.1%	11.8%	-	-	3.5%	7.0%	7.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		4 180	3 849	4 811	5 621	5 591	5 591	6 120	6 548	7 008
Pension and UIF Contributions		905	874	780	847	841	841	889	951	1 018
Medical Aid Contributions			154	154	142	142	142	156	167	170
Overtime										
Performance Bonus		880	871	792	888	888	888	1 078	1 161	1 232
Motor Vehicle Allowance	3	381	389	498	488	488	488	535	573	613
Cellphone Allowance	3	48	38	36	38	38	38	50	64	58
Housing Allowances	3									
Other benefits and allowances	3	63	82	25	30	29	29	33	35	38
Payments in lieu of leave				90				31	33	38
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		6 288	5 847	7 185	7 982	8 013	8 013	8 891	9 313	10 179
% Increase	4		(8.7%)	22.5%	11.1%	0.4%	-	11.0%	7.0%	7.0%
Other Municipal Staff										
Basic Salaries and Wages		77 782	88 471	87 129	102 481	100 710	100 710	111 642	118 845	127 097
Pension and UIF Contributions		17 478	14 808	15 895	18 553	18 167	18 167	22 112	23 848	25 303
Medical Aid Contributions			4 216	4 839	6 368	6 385	6 385	6 984	7 452	7 973
Overtime		3 351	3 973	5 219	4 876	4 788	4 788	5 487	5 928	6 400
Performance Bonus				7 055	8 127	7 980	7 980	9 198	9 807	10 490
Motor Vehicle Allowance	3	4 182	4 183							
Cellphone Allowance	3	335	327	314	339	339	339	347	371	387
Housing Allowances	3	1 069	1 142	1 159	1 497	1 497	1 497	1 536	1 644	1 759
Other benefits and allowances	3	5 939	4 784	7 131	7 921	8 032	8 032	8 513	9 141	9 815
Payments in lieu of leave				880	492	482	482	539	578	617
Long service awards			2 239	(0)	1 645	843	843	910	974	1 042
Post-retirement benefit obligations	6			13 673	8 234	7 973	7 973	10 098	11 093	11 897
Sub Total - Other Municipal Staff		110 148	121 844	143 293	188 403	187 183	187 183	177 343	189 478	202 890
% Increase	4		10.7%	17.5%	18.8%	(0.6%)	-	12.8%	6.8%	6.8%
Total Parent Municipality		122 480	134 275	157 881	174 415	173 248	173 248	184 584	207 903	222 307
			9.6%	17.4%	18.8%	(0.7%)	-	12.3%	6.8%	6.8%
TOTAL SALARY, ALLOWANCES & BENEFITS		122 480	134 275	157 881	174 415	173 248	173 248	184 584	207 903	222 307
% Increase	4		9.6%	17.4%	18.8%	(0.7%)	-	12.3%	6.8%	6.8%
TOTAL MANAGERS AND STAFF	5,7	118 414	127 701	158 488	186 365	185 186	185 186	188 234	198 990	212 798

Table SA23: - Salaries, allowances and benefits (political office bearers/councillors/senior managers) – (NT – supporting tables)
WC042 Hessequa - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contribution	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4			49 434	706 828			756 062
Chief Whip					327 797			327 797
Executive Mayor				93 089	840 110			933 199
Deputy Executive Mayor				49 434	706 828			756 062
Executive Committee				176 613	1 958 721			2 135 334
Total for all other councillors				354 892	3 067 075			3 421 967
Total Councillors	8	–	–	723 462	7 606 959			8 330 421
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1 198 733	208 557	50 505	202 061		1 659 856
Chief Finance Officer			905 931	179 656	187 305	177 182		1 450 074
SM COM			947 245	217 511	101 887	177 179		1 443 822
SM COR			1 024 463	229 489	18 939	177 182		1 450 073
SM D01								–
SM D02					6 249			6 249
SM D03			997 301	208 284	67 353	177 182		1 450 120
SM D04			1 045 983	1 782	217 723	185 186		1 430 654
List of each official with packages >= senior manager								
Total Senior Managers of the Municipality	8,10	–	6 119 656	1 045 279	648 961	1 075 952		8 890 848
A Heading for Each Entity	6,7							
List each member of board by designation								
Total for municipal entities	8,10	–	–	–	–	–		–
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	–	6 119 656	1 768 741	6 256 920	1 075 952		17 221 269



2.11 NEW & VACANT POSTS 2019/2020

HESSEQUA MUNICIPALITY

HESSEQUA MUNICIPALITY

New Posts 2019/20

POSTS PER DIRECTORATE	Grade	REQUEST TO FUND (These are the posts that the Directorates request to be additionally funded for 19/20)
CORPORATE MANAGEMENT		394 030.00
COORDINATOR PROPERTY MANAGEMENT		
K114	T10	394 030.00
FINANCIAL SERVICES		895 817.00
CLERK PROPERTY RATES & TAXES		
F048	T6	242 803.00
CLERK TENDER MANAGEMENT		
F076	T6	278 864.00
PRINCIPAL CLERK BUDGET & FINANCIAL REPORTS		
F051	T10	374 150.00
TECHNICAL SERVICES		1 670 488.00
ACCESS CONTROLLER		
T456	T4	170 130.00
T457	T4	170 130.00
ELECTRICIAN		
T468	T10	566 173.00
FOREMAN SOLID WASTE, FACILITIES & AMENITIES		
T399	T10	406 335.00
GENERAL ASSISTANT		
T265	T5	192 697.00
SMALL PLANT OPERATOR		
T320	T4	165 023.00
Council General		390 000.00
Mayor (Comm. Officer)	Contract	195 000.00
Speaker (PA)	Contract	195 000.00
Grand Total		3 350 335.00



2.12 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

Table SA25 - Budgeted monthly revenue and expenditure – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source																
Property rates		95 561	(337)	(303)	(302)	333	(104)	(104)	(104)	(104)	(104)	330	(104)	94 887	101 693	109 825
Service charges - electricity revenue		17 529	12 415	7 291	12 225	12 482	11 882	19 084	12 989	11 481	12 085	12 028	16 223	157 911	171 272	184 989
Service charges - water revenue		6 261	2 660	2 016	2 934	3 072	3 010	4 440	3 036	3 154	3 325	3 111	4 748	40 907	44 266	47 738
Service charges - sanitation revenue		4 555	1 705	1 754	1 741	1 687	1 659	1 787	1 591	1 686	1 713	1 725	1 728	23 332	25 189	27 214
Service charges - refuse revenue		1 630	1 920	1 826	1 833	1 882	1 881	1 935	1 901	1 859	1 882	1 907	1 838	22 895	24 154	26 087
Rental of facilities and equipment		331	198	201	225	240	208	287	188	218	262	213	283	2 800	2 871	3 089
Interest earned - internal investments		1 915	1 297	(2 889)	1 344	1 271	879	945	1 388	910	789	886	858	9 688	8 723	8 729
Interest earned - outstanding debtors		144	161	163	238	187	188	217	230	134	22	14	5	1 808	1 834	1 881
Dividends received		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		1 236	1 048	738	758	861	873	804	821	1 108	700	825	35 183	46 040	47 742	69 407
Licences and permits		100	130	111	126	123	228	175	102	103	110	103	143	1 863	1 857	1 768
Agency services		138	224	108	289	248	81	231	223	289	181	263	(70)	2 205	2 247	2 282
Transfers and subsidies		18 987	2 676	57	87	1 385	15 038	87	388	10 735	87	87	10 038	89 137	74 484	87 105
Other revenue		584	1 720	2 108	2 040	3 960	1 333	1 667	858	1 685	868	862	1 638	18 414	19 420	20 484
Gains on disposal of PPE		—	0	—	80	—	—	110	—	89	—	—	2 309	2 698	2 843	2 884
Total Revenue (excluding capital transfers and contributions)		148 813	26 041	13 830	28 878	27 460	37 082	31 864	23 091	32 881	22 691	23 544	74 753	481 778	526 697	574 862
Expenditure By Type																
Employee related costs		14 708	14 708	14 708	14 708	23 878	14 708	14 708	14 708	14 708	15 784	14 708	14 187	186 234	188 900	212 788
Remuneration of councillors		894	894	894	894	894	894	894	894	894	894	894	894	8 330	8 914	9 636
Debt impairment		3 487	3 487	3 487	3 487	3 487	3 487	3 487	3 487	3 487	3 487	3 487	3 487	41 808	42 738	44 887
Depreciation & asset impairment		2 895	2 895	2 895	2 895	2 895	2 895	2 895	2 895	2 895	2 895	2 895	2 895	34 743	36 035	36 110
Finance charges		—	—	—	—	—	7 388	—	—	—	—	—	15 880	21 538	25 859	27 923
Bulk purchases		9 823	7 772	8 942	7 728	8 868	7 363	14 413	7 304	8 835	8 882	7 757	12 483	108 887	125 893	142 882
Other materials		2 478	2 452	2 482	2 452	2 482	2 482	2 840	2 452	2 452	2 452	2 452	2 452	28 933	31 948	34 896
Contracted services		1 802	1 998	2 189	2 049	2 269	3 287	2 865	2 451	2 380	2 359	2 348	8 531	32 884	47 736	59 482
Transfers and subsidies		110	110	110	110	110	110	110	110	110	110	110	110	1 247	1 480	1 323
Other expenditure		2 700	2 700	2 701	2 700	2 700	2 703	2 700	2 705	2 705	2 700	2 704	2 747	32 486	34 058	35 877
Loss on disposal of PPE		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Expenditure		37 878	36 794	37 888	36 884	47 354	45 638	44 283	36 787	38 082	39 044	37 134	69 488	487 361	534 658	603 688
Surplus/(Deficit)		108 937	(10 753)	(14 058)	(13 126)	(19 874)	(8 557)	(12 419)	(13 787)	(5 201)	(16 483)	(14 590)	15 267	(16 513)	(85 097)	(28 826)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and subsidies - capital (granted - all)		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		108 937	(10 753)	(14 058)	(13 126)	(19 874)	(8 557)	(12 419)	(13 787)	(5 201)	(16 483)	(14 590)	15 267	(16 513)	(85 097)	(28 826)
Taxation		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Attributable to minorities		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Share of surplus / (deficit) of associates		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit)		108 937	(10 753)	(14 058)	(13 126)	(19 874)	(8 557)	(12 419)	(13 787)	(5 201)	(16 483)	(14 590)	15 267	(16 513)	(85 097)	(28 826)

**Table SA26: - Budgeted monthly revenue and expenditure (municipal vote) – (NT – supporting tables)**

WC042 Hessequa – Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

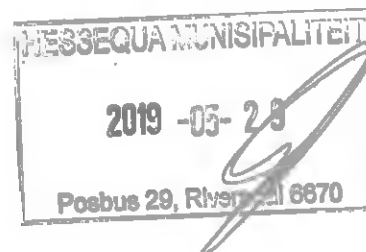
Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Vote																
Vote 01 - Office Of The Mm		18 541	32	65	16	28	14 986	38	38	10 622	67	67	854	45 433	48 778	52 540
Vote 02 - Corporate Services		368	1 411	1 827	1 762	3 331	1 092	1 340	630	716	726	387	10 460	24 018	27 158	27 182
Vote 03 - Financial Services		88 855	3 011	(2 804)	1 222	1 746	972	1 275	1 445	923	712	1 067	419	108 846	113 084	121 309
Vote 04 - Community Services		1 474	1 879	860	1 229	2 283	1 671	1 277	1 337	1 827	1 023	1 225	35 569	51 446	64 364	83 312
Vote 05 - Technical Services		30 004	20 730	14 638	20 133	20 625	19 627	28 169	20 045	19 626	21 189	22 188	27 979	265 133	265 235	301 008
Vote 06 - Spatial Planning & Environmental Management		183	284	180	259	369	214	340	333	288	164	160	2 489	5 351	5 181	5 381
Vote 07 - Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Planning And Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 - Environmental Protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Road Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		147 213	27 356	19 665	36 911	38 989	36 963	32 439	23 631	23 901	23 891	25 064	77 850	486 832	543 891	598 781
Expenditure by Vote to be appropriated																
Vote 01 - Office Of The Mm		2 808	2 808	2 822	2 814	3 111	2 837	2 806	2 834	2 810	3 010	2 823	3 190	34 665	36 973	37 484
Vote 02 - Corporate Services		3 488	3 518	3 540	3 503	5 205	4 241	3 725	3 658	3 828	3 911	3 581	4 331	48 327	50 337	52 359
Vote 03 - Financial Services		2 780	2 779	2 881	2 775	4 318	2 772	2 917	2 902	2 780	2 962	2 805	3 238	35 816	37 438	39 856
Vote 04 - Community Services		5 489	5 496	5 496	5 514	6 834	5 837	5 487	5 544	5 589	5 705	5 546	6 425	68 572	83 030	96 030
Vote 05 - Technical Services		22 336	21 097	21 975	21 080	29 485	29 278	28 258	20 852	22 081	22 189	21 249	40 977	287 882	331 786	382 280
Vote 06 - Spatial Planning & Environmental Management		1 075	1 088	1 138	1 117	1 582	1 076	1 078	1 107	1 153	1 287	1 135	1 324	14 159	15 223	15 888
Vote 07 - Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Planning And Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 - Environmental Protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Road Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		37 976	38 794	37 856	36 884	47 394	46 838	44 883	38 787	38 052	39 844	37 134	89 488	487 391	534 656	593 888
Surplus/(Deficit) before assets,		109 237	(9 438)	(22 791)	(18 193)	(18 705)	(7 875)	(11 844)	(12 957)	(4 471)	(15 193)	(12 640)	18 364	631	(10 837)	(12 884)
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	109 237	(9 438)	(22 791)	(18 193)	(18 705)	(7 875)	(11 844)	(12 957)	(4 471)	(15 193)	(12 640)	18 364	631	(10 837)	(12 884)



Table SA27: -Budgeted monthly revenue and expenditure (standard classification) – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional																
Governance and administration		115 410	3 380	(3 834)	1 444	2 008	16 148	1 584	1 470	11 732	1 149	2 117	3 670	187 518	167 000	179 746
Executive and council		10 541	32	55	16	28	14 988	38	38	10 822	57	87	884	45 373	48 778	52 040
Finance and administration		88 869	3 218	(2 849)	1 438	1 980	1 182	1 518	1 832	1 110	1 081	2 048	2 676	112 145	118 777	127 208
Internal audit		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Community and public safety		1 005	3 288	2 788	3 053	5 627	2 786	2 708	1 978	2 275	1 883	2 485	48 880	78 874	82 791	111 711
Community and social services		88	75	83	80	100	48	74	48	88	37	48	6 785	9 881	11 971	11 013
Sport and recreation		288	1 369	1 783	1 688	3 288	1 068	1 381	808	881	808	1 188	1 637	15 788	16 981	17 488
Public safety		1 802	1 484	887	1 222	1 438	1 888	1 275	1 338	1 833	1 028	1 228	35 285	49 871	51 771	54 787
Housing		(88)	380	(38)	(4)	818	(8)	(8)	(8)	(8)	(8)	(4)	283	1 385	12 418	28 485
Health		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Economic and environmental services		183	618	188	288	884	314	348	483	388	184	188	2 838	8 884	8 288	8 488
Planning and development		181	202	188	258	182	188	278	222	288	188	188	2 470	4 717	4 828	8 011
Road transport		—	125	—	—	225	—	—	158	188	—	—	—	603	118	118
Environmental protection		2	81	3	4	188	(11)	71	112	188	8	1	88	884	343	388
Trading services		28 784	38 388	14 812	18 888	28 388	18 488	27 838	18 781	18 288	28 878	28 388	35 788	287 818	278 188	282 782
Energy services		17 545	12 448	7 288	12 288	12 818	18 288	18 288	12 431	11 888	13 888	12 878	18 748	188 238	173 838	188 388
Water management		5 338	2 888	3 188	3 018	3 182	4 838	3 128	3 128	3 217	3 487	3 183	4 887	41 848	48 284	48 885
Waste water management		4 832	3 038	3 281	2 878	2 781	1 711	2 084	2 234	2 287	2 212	2 334	2 287	32 888	34 885	38 287
Waste management		1 848	1 837	1 848	1 882	1 888	—	1 958	1 914	1 881	1 882	1 888	1 838	23 888	24 338	28 284
Other		—	—	—	—	—	—	—	—	—	—	—	—	18	18	18
Total Revenue - Functional		147 213	27 388	18 888	24 811	28 888	38 882	22 438	23 881	23 881	23 881	28 884	77 888	488 833	543 881	688 781
Expenditure - Functional																
Governance and administration		7 675	7 684	7 878	7 884	10 247	7 881	7 847	7 732	7 748	8 878	7 748	8 878	97 887	188 328	188 883
Executive and council		2 482	2 482	2 482	2 488	2 882	2 882	2 482	2 488	2 488	2 884	2 488	2 788	38 484	32 482	32 617
Finance and administration		8 882	8 882	8 882	8 882	7 434	8 882	8 882	8 882	8 882	8 882	8 882	8 882	88 882	88 882	88 882
Internal audit		121	121	134	121	218	121	121	121	121	121	121	121	1 888	1 788	1 878
Community and public safety		8 278	8 281	8 287	8 288	18 841	8 288	8 217	8 484	8 478	8 734	8 418	10 218	188 184	184 287	188 888
Community and social services		1 482	1 488	1 444	1 488	2 228	1 488	1 458	1 488	1 488	1 484	1 484	2 228	18 888	22 288	22 442
Sport and recreation		1 788	1 747	1 788	1 781	2 888	2 488	1 881	1 828	1 782	1 988	1 778	2 281	23 882	23 882	27 285
Public safety		4 887	4 811	4 814	4 828	5 718	4 828	4 818	4 888	4 887	4 882	4 882	5 187	88 332	82 812	85 888
Housing		288	288	288	288	342	288	288	288	288	288	288	288	3 288	14 422	28 442
Health		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Economic and environmental services		4 478	4 477	4 488	4 477	8 282	8 088	4 478	4 478	4 488	4 488	4 488	8 818	88 888	82 888	87 282
Planning and development		771	778	838	818	1 142	771	774	745	783	888	778	1 042	10 778	10 738	11 442
Road transport		3 328	3 328	3 328	3 328	4 848	4 847	3 328	3 328	3 328	3 328	3 328	4 328	43 888	47 432	88 748
Environmental protection		377	378	377	377	571	377	377	377	377	377	377	448	4 817	4 828	5 107
Trading services		17 434	18 188	17 884	18 178	18 728	22 382	28 218	18 838	17 182	17 228	18 228	34 228	338 842	281 848	288 781
Energy services		11 288	10 884	18 828	9 888	11 848	13 218	18 722	9 822	10 878	10 828	10 828	17 548	142 784	183 242	182 478
Water management		2 838	2 518	2 888	2 548	3 181	3 821	2 781	2 832	2 888	2 881	2 888	3 832	33 842	37 217	40 341
Waste water management		1 848	1 848	1 848	1 888	2 288	2 848	1 738	1 738	1 888	1 738	1 881	3 287	28 738	28 848	28 884
Waste management		1 888	1 878	1 978	1 872	2 884	2 885	2 011	2 048	1 878	1 888	1 871	3 888	32 888	34 848	38 328
Other		122	143	121	121	188	122	122	121	178	121	137	138	1 812	2 218	1 821
Total Expenditure - Functional		37 878	38 784	37 888	38 884	47 534	48 888	44 283	38 787	38 882	38 844	37 134	88 488	487 281	584 888	683 888
Surplus/(Deficit) before assets		109 335	(8 396)	(22 788)	(12 183)	(18 788)	(7 277)	(11 848)	(12 887)	(4 471)	(15 183)	(12 848)	18 384	631	(18 887)	(12 884)
Share of surplus/(deficit) of associates		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit)	1	109 335	(8 396)	(22 788)	(12 183)	(18 788)	(7 277)	(11 848)	(12 887)	(4 471)	(15 183)	(12 848)	18 384	631	(18 887)	(12 884)



**Table SA28: - Budgeted monthly capital expenditure (municipal vote) – (NT – supporting tables)**

WCD42 Hessequa - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Multi-year expenditure to be appropriated	1															
Vote 01 - Office Of The Mm		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		-	-	345	-	50	-	-	-	-	-	-	-	545	50	700
Vote 03 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Community Services		-	-	300	-	-	-	-	-	-	-	-	-	300	-	-
Vote 05 - Technical Services		400	-	1 500	2 350	4 420	2 245	4 700	5 060	3 000	5 350	4 432	35 847	19 979	16 270	
Vote 06 - Spatial Planning & Environmental Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Planning And Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 - Environmental Protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Road Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	400	650	2 145	2 350	4 470	1 050	2 245	4 700	5 060	3 000	5 350	4 432	36 682	20 028	15 970
Single-year expenditure to be appropriated																
Vote 01 - Office Of The Mm		-	-	12	21	23	-	-	-	-	-	-	-	58	367	383
Vote 02 - Corporate Services		-	541	258	255	848	-	330	-	-	-	-	-	2 558	4 533	1 811
Vote 03 - Financial Services		-	-	38	148	95	-	170	-	-	-	-	-	447	8 112	2 134
Vote 04 - Community Services		-	20	254	30	15	2 423	-	-	25	-	-	410	3 176	1 092	8 406
Vote 05 - Technical Services		-	1 718	2 376	2 154	4 060	3 510	5 320	9 040	21 186	8 480	5 675	2 428	67 445	43 188	39 531
Vote 06 - Spatial Planning & Environmental Management		-	-	-	-	-	-	-	-	-	-	-	35	35	648	10
Vote 07 - Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Planning And Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 - Environmental Protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Road Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	590	2 579	2 667	2 896	5 958	5 523	5 825	9 040	21 210	8 490	5 675	2 672	73 717	67 917	62 764
Total Capital Expenditure	2	1 000	3 228	5 112	4 956	10 468	6 573	8 065	13 740	26 260	12 385	11 025	7 365	110 400	77 945	68 734



**Table SA29: - Budgeted monthly capital expenditure (standard classification) – (NT – supporting tables)**

WC042 Hessequa - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital Expenditure - Functional	1															
Governance and administration		-	-	238	289	1 214	100	520	88	40	300	1 280	1 580	5 482	14 000	8 589
Executive and council		-	-	-	7	23	-	-	-	-	-	-	-	-	30	357
Finance and administration		-	-	238	282	1 182	100	520	80	40	300	1 200	1 500	5 422	13 643	8 221
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		200	1 211	894	178	477	2 423	830	270	525	400	1 280	2 240	10 933	8 270	14 537
Community and social services		-	18	385	37	234	-	330	100	400	100	-	-	1 581	1 383	767
Sport and recreation		200	1 175	385	108	243	-	200	170	100	300	1 200	1 830	5 921	5 853	4 878
Public safety		-	20	224	30	-	2 423	-	-	25	-	-	410	3 131	1 044	1 395
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	7 500
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	35	397	1 389	828	1 130	1 800	5 740	2 750	2 130	80	18 372	18 488	19 884
Planning and development		-	-	12	14	-	-	-	-	-	-	-	-	-	20	81
Road transport		-	-	43	383	1 390	-	1 130	1 800	5 740	2 700	2 150	80	18 311	15 830	19 848
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		888	2 015	3 835	4 898	7 327	3 455	5 885	11 820	19 958	8 880	8 475	3 400	77 952	39 177	28 834
Energy services		-	18	427	14	385	416	2 385	4 920	7 775	4 510	2 525	1 940	25 281	12 150	10 058
Water management		-	200	400	1 080	2 200	1 370	1 950	3 300	2 800	1 100	2 180	782	18 873	8 300	8 400
Waste water management		800	1 800	3 050	3 017	4 710	1 850	1 650	3 400	5 480	1 800	1 800	758	30 785	18 127	5 916
Waste management		-	-	8	14	52	50	-	-	3 100	-	-	-	3 224	800	280
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	10
Total Capital Expenditure - Functional	2	1 088	3 226	5 112	4 998	10 488	6 933	8 965	13 740	28 288	12 380	11 025	7 308	110 409	77 943	88 733
Funded by:																
National Government		400	1 300	1 500	800	1 080	700	445	800	900	1 300	2 550	3 098	14 883	14 884	15 970
Provincial Government		-	18	35	22	48	830	330	-	-	-	-	-	1 291	530	81
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		488	1 216	1 335	832	1 199	1 530	775	800	900	1 300	2 550	3 098	18 263	15 194	16 038
Borrowing		800	700	1 800	2 830	6 920	3 618	5 095	10 050	14 330	9 755	7 575	3 282	66 362	43 558	37 800
Internally generated funds		-	1 210	1 777	1 364	2 370	1 765	2 185	2 890	11 030	1 325	800	915	27 803	19 183	14 895
Total Capital Funding		1 088	3 226	5 112	4 998	10 488	6 933	8 965	13 740	28 288	12 380	11 025	7 308	110 409	77 943	88 733

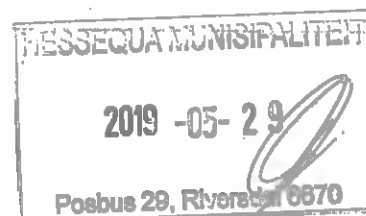




Table SA30: - Budgeted monthly cash flow – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOW	Budget Year 2019/20												Medium Term Revenue and Expenditure Projections		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year average	5 Year average	Budget Year to 2019/20
Cash Receipts by Source															
Property rates	83 840	(321)	(280)	(286)	328	(102)	(102)	(182)	(102)	(102)	324	(102)	62 704	89 000	187 038
Service charges - electricity revenue	17 180	12 179	7 105	11 976	12 253	11 045	16 805	11 067	21 232	12 412	12 374	16 676	164 752	187 668	181 388
Service charges - water revenue	6 105	2 822	1 875	2 876	3 011	2 059	4 351	2 075	3 501	3 258	3 048	4 854	49 187	49 371	48 830
Service charges - sanitation revenue	4 415	1 875	1 719	1 789	1 854	1 023	1 722	1 657	1 632	1 679	1 880	1 883	22 885	24 085	28 979
Service charges - refuse revenue	1 892	1 882	1 888	1 884	1 845	1 843	1 808	1 883	1 822	1 888	1 889	1 889	22 487	23 071	25 585
Rent of facilities and equipment	217	217	217	217	217	217	217	217	217	217	217	217	2 601	2 671	3 088
Interest received - external investments	1 018	1 297	(2 589)	1 344	1 271	878	845	1 309	810	809	889	889	9 488	8 723	8 729
Interest received - outstanding debtors	144	161	183	226	187	188	217	230	134	14	5	1 000	1 834	1 834	1 901
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1 238	1 045	738	769	851	873	894	821	1 198	709	825	853	10 810	11 458	12 148
License and permits	100	130	111	128	123	229	176	102	108	110	163	143	1 882	1 857	1 759
Agency services	139	224	188	286	249	81	351	223	289	191	263	(70)	2 289	2 247	2 292
Transfer receipts - operational	18 003	1 128	87	67	1 385	15 038	57	388	19 756	87	67	11 513	59 137	74 884	87 185
Other revenue	881	1 725	2 108	2 542	3 780	1 388	1 887	259	1 889	895	882	1 528	19 814	19 888	20 188
Cash Receipts by Source	144 280	24 149	13 264	23 234	27 048	28 676	30 286	22 879	33 291	22 177	22 164	29 931	438 159	482 540	528 688
Other Cash Receipts by Source															
Transfer receipts - capital	400	1 318	1 835	532	1 108	1 530	775	800	800	1 300	2 850	3 058	18 248	28 894	16 839
Transfers and subsidies - capital (monetary allocated) (National / Provincial government)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services, Non-profit institutions, Private Companies, Public Corporations, Higher Education institutions & Transfers and subsidies - capital (voted - all)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	0	-	62	-	-	1	-	59	-	-	2 368	-	2 843	2 844
Grants and loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Donations and contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest (dividends) & investment deposits	-	-	-	-	-	-	-	-	-	-	-	25 282	-	45 558	37 800
Debtors (dividends) & investment deposits	-	-	-	-	-	-	-	-	-	-	-	441	-	483	488
Debtors (dividends) & investment deposits (non-current)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debtors (dividends) & investment deposits (non-current)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	144 680	25 467	15 100	23 766	28 156	29 206	31 061	23 679	34 091	23 477	22 164	32 989	456 407	511 434	565 527
Cash Payments by Type															
Employment related costs	14 709	14 709	14 709	14 709	23 878	14 709	14 709	14 709	14 709	15 784	14 709	14 487	188 234	188 880	212 789
Compensation of councillors	684	684	684	684	884	684	684	684	684	684	684	684	8 238	8 614	9 388
Property charges	-	-	-	-	-	7 658	-	-	-	-	-	-	18 986	21 058	27 923
Electricity - Electricity	9 025	7 772	8 642	7 728	8 986	7 983	14 413	7 304	8 835	11 111	12 483	108 887	125 883	142 182	142 182
Electricity - Water & Sewer	2 478	2 482	2 482	2 482	2 482	2 482	2 482	2 482	2 482	2 482	2 482	2 482	29 253	31 848	34 488
Other materials	1 952	1 895	2 188	2 048	2 089	3 257	2 685	2 461	2 399	2 359	2 348	6 031	32 684	47 738	59 482
Contracted services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer and grants - other municipalities	185	188	188	188	188	188	188	188	188	188	188	188	1 197	1 425	1 285
Transfer and grants - other	2 785	2 785	2 785	2 785	2 785	2 785	2 785	2 785	2 785	2 785	2 785	2 785	33 488	34 888	36 477
Cash Payments by Type	31 688	28 627	31 483	30 437	40 887	38 473	37 917	38 431	39 888	33 677	38 787	80 410	458 991	478 839	529 649
Other Cash Payments by Type															
Capital assets	1 000	3 228	5 112	4 888	10 408	6 923	8 085	13 740	28 289	12 385	11 925	7 325	110 489	77 943	88 733
Repayment of borrowing	-	-	-	-	-	10 286	-	-	-	-	-	-	10 258	24 121	15 581
Other Cash Payments by Type	-	-	-	-	-	-	-	-	-	-	-	-	885	885	189
Total Cash Payments by Type	32 688	31 855	36 595	35 325	51 295	45 686	46 001	52 170	68 177	46 062	50 712	77 735	569 727	577 868	615 569
NET INCREASE/DECREASE IN CASH HELD	11 992	6 642	1 617	3 439	26 861	13 520	14 991	15 448	25 204	17 392	13 452	25 254	87 416	134 601	149 918
Cash Held at the end of the financial year	299 897	306 539	308 156	311 595	338 456	351 976	366 967	382 415	407 619	424 911	438 363	453 617	541 033	675 634	825 552

2.13 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

Table SA32: (NT – supporting tables)

WC042 Hessequa - Supporting Table SA32 List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
Working On Fire	Yrs	3	Fire Brigade Services	1/08/2018 TO 31/03/2021	2 610
Henque Waste	Yrs	3	Refuse Recycling	1/08/2017 TO 30/06/2020	922
SYNTELL (PTY) LTD	Yrs	4	THE PROVISION OF TRAFFIC LAW ENFORCEMENT	1/07/2018 TO 30/06/2022	2 080
JIRAH CONSTRUCTION CC	Yrs	3	Cleaning of Stormwater pipes	1/09/2016 - 30/06/2019	303
KONICA MINOLTA SOUTH AFRICA	Yrs	3	SUPPLY AND INSTALLATION OF PHOTO COPIERS	New expiry date 31/03/2021	601
VOX Telecommunications (PTY) Ltd	Yrs	3	Telecommunication system	1/07/2016 - 30/06/2019	1 442
IGNITE ADVISORY SERVICES	Yrs	3	PROVISION OF AN ELECTRONIC INFORMATION	1/12/2017 TO 30/11/2020	330
ITRON METERING SOLUTIONS SOUTH AFRICA	Yrs	3	THE IMPLEMENTATION OF PREPAID ELECTRICITY	1/07/2017 - 30/06/2020	571
ROUTEMASTER	Yrs		SUPPLY AND DELIVERY OF HARDWARE AND SOFTWARE FOR CON		149
DDP VALUERS	Yrs	7	THE COMPILATION OF GENERAL VALUATION R	new completion date	2 000
BUSINESS CONNEXION (VENUS)	Yrs		FINANCIAL SOFTWARE MAINTENANCE		875
Mubeko Africa (Pty) Ltd / Moore Stephens MO Inc	Yrs	3	PROVISIONING OF ACCOUNTING SERVICES FOR	1/10/2016 TO 30/06/2020	550
Stephaan & Moore	Yrs	3	COMPILATION OF ANNUAL FINANCIAL STATEM	1/10/2016 TO 30/06/2020	500
CAB HOLDINGS (PTY) LTD	Yrs	3	CAB HOLDINGS (PTY) LTD	1/07/2018 TO 30/06/2021	828
PAYDAY SOFTWARE SYSTEMS (PTY) LTD	Yrs	3	RENDERING OF PERSONNEL PAYDAY SOFTWARE	1/07/2016 TO 30/06/2020	213
INCA	Yrs	1	Financial Plan	30 June 2020	750



2.14 CAPITAL EXPENDITURE DETAILS

The following three tables present details of the municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Table SA 34a: - Capital expenditure on new assets by asset class – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		9 521	2 724	19 307	29 537	30 861	30 861	22 042	25 280	32 910
Roads Infrastructure		-	1 614	367	3 400	3 400	3 400	1 250	5 600	13 160
Roads			1 614	263	3 280	3 280	3 250	1 100	5 450	13 000
Road Structures										
Road Furniture				134	180	150	150	150	150	150
Capital Spares										
Storm water Infrastructure		-	-	437	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance				437						
Attenuation										
Electrical Infrastructure		2 303	-	7 524	6 755	3 810	3 810	7 035	2 800	2 160
Power Plants										
HV Substations				6 302	-	-	-	-	-	-
HV Switching Station										
HV Transmission Conductors		2 303			-	-	-	-	-	-
MV Substations					1 275			1 665		
MV Switching Stations										
MV Networks					2 580	500	500	3 115	1 600	
LV Networks				1 222	2 900	3 310	3 310	2 355	1 200	2 160
Capital Spares										
Water Supply Infrastructure			183	8 501	11 825	17 480	17 480	10 702	6 000	12 800
Dams and Weirs										
Boreholes				108	-	3 000	3 000	750		2 000
Reservoirs				1 580	4 865	1 030	1 030	300	2 000	-
Pump Stations				183	300	122	122			
Water Treatment Works				1 189	1 500	9 400	9 400	3 670	1 000	300
Bulk Mains				4 878	-	-	-	-	-	-
Distribution			183	1 554	5 029	3 908	3 908	5 982	3 000	10 500
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		7 217	927	554	6 284	4 969	4 959	2 060	1 350	1 850
Pump Station					280	280	280		30	-
Reticulation				115	5 384	4 579	4 579	1 850	1 320	1 350
Waste Water Treatment Works		7 217	927	439	500	100	100	200	-	300
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		-	-	44	280	250	250	100	100	
Landfill Sites										
Waste Transfer Stations					150	150	150			
Waste Processing Facilities										
Waste Drop-off Points				44	100	100	100	100	100	
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure				850	1 043	953	953	905	9 410	2 250
Data Centres										
Core Layers				539	658	658	658	780	9 410	2 280
Distribution Layers				311	385	325	325	125	-	-
Capital Spares										

Table SA 34a: - Capital expenditure on new assets by asset class – (NT – supporting tables) - CONTINUE

WC042 Hessequa - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Community Assets		-	129	173	1 495	1 498	1 498	929	-	35
Community Facilities		-	64	134	1 375	1 338	1 338	900	-	-
Halls		-	-	39	25	40	40	-	-	-
Centres		-	-	97	250	250	250	300	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	5	50	30	30	-	-	-
Cemeteries/Crematoria		-	-	-	50	18	18	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	64	-	-	-	-	-	-	-
Stalls		-	-	-	1 000	1 000	1 000	600	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	65	38	120	120	120	20	-	35
Indoor Facilities		-	65	-	-	-	-	-	-	-
Outdoor Facilities		-	-	38	120	120	120	20	-	35
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		106	569	1 233	300	996	996	-	115	-
Operational Buildings		106	569	1 233	300	996	996	-	115	-
Municipal Offices		-	-	51	-	-	-	-	115	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plans Offices		106	140	-	-	-	-	-	-	-
Workshops		-	-	-	300	600	600	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	1 182	-	388	388	-	-	-
Capital Spares		-	429	-	-	-	-	-	-	-

Table SA 34a: - Capital expenditure on new assets by asset class – (NT – supporting tables) - CONTINUE

WC042 Hessequa - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	316	316	170	-	-
Services		-	-	-	-	316	316	170	-	-
Licences and Rights		-	-	-	-	316	316	170	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licences		-	-	-	-	-	-	-	-	-
Solid Waste Licences		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	316	316	170	-	-
Local Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		1 302	610	588	938	936	935	889	383	635
Computer Equipment		1 302	610	588	938	936	935	889	383	635
Furniture and Office Equipment		716	693	1 291	288	522	522	330	983	208
Furniture and Office Equipment		716	693	1 291	288	522	522	330	983	208
Machinery and Equipment		3 396	750	1 878	1 655	1 883	1 883	2 339	4 084	2 571
Machinery and Equipment		3 396	750	1 878	1 655	1 883	1 883	2 339	4 084	2 571
Transport Assets		4 288	4 693	7 546	9 580	9 580	9 580	14 585	4 580	4 000
Transport Assets		4 288	4 693	7 546	9 580	9 580	9 580	14 585	4 580	4 000
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	19 329	10 599	31 993	44 094	46 590	46 550	41 255	35 404	39 458

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Table SA34b: - Capital expenditure on the renewal of existing assets by asset class –
(NT supporting tables)

WC042 Hessequa - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	Financial Year 2016/17					2019/20 Medium Term Revenue & Expenditure Framework			
		2015/16	2016/17	2017/18	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
		Audited Outcome	Audited Outcome	Audited Outcome						
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		64 262	108 427	7 770	800	927	927	5 458	530	1 780
Roads Infrastructure		10 488	86 524	7 770	800	927	927	-	-	-
Roads		10 488	86 524	7 770	500	927	927	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		29 951	5 743	-	300	-	-	450	350	1 750
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		29 951	5 743	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	300	800
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	300	-	-	450	150	950
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		5 060	8 508	-	-	-	-	6 000	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	8 508	-	-	-	-	5 000	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		5 060	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		18 803	8 364	-	-	-	-	-	180	-
Pump Station		-	-	-	-	-	-	-	180	-
Retreatment		-	8 364	-	-	-	-	-	-	-
Waste Water Treatment Works		18 803	-	-	-	-	-	-	-	-
Outfall Storage		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Waste Infrastructure		163	280	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		163	280	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revolments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Electric Cables		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

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Table SA34b: - Capital expenditure on the renewal of existing assets by asset class – (NT supporting tables)

WC042 Hessequa - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Community Assets		-	2 220	2 861	4 212	4 066	4 066	5 130	6 480	3 686
Community Facilities		-	1 721	184	180	180	180	450	300	380
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums					80	80	80			
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria								200	200	200
Police										
Parks			79							
Public Open Space			790	134	100	100	100	250	100	160
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares			852							
Sport and Recreation Facilities			489	2 477	4 032	3 908	3 908	6 670	5 150	3 300
Indoor Facilities			489	2 179	2 042	1 918	1 918	710	1 020	1 300
Outdoor Facilities				299	1 990	1 990	1 990	4 960	4 130	2 000
Capital Spares										
Heritage assets										
Museums										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties										
Revenue Generating										
Improved Property										
Unimproved Property										
Non-revenue Generating										
Improved Property										
Unimproved Property										
Other assets		2 376	1 637	-	-	-	-	-	-	-
Operational Buildings		2 376	1 637	-	-	-	-	-	-	-
Municipal Offices										
Pay/Enquiry Points										
Building Plan Offices		2 376	15							
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares			1 622							
Housing										
Staff Housing										
Social Housing										
Capital Spares										

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**Table SA34b: - Capital expenditure on the renewal of existing assets by asset class –
(NT supporting tables)**

WC042 Hessequa - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Biological or Cultivated Assets										
Biological or Cultivated Assets										
Intangible Assets										
Services										
Licences and Rights										
Water Rights										
Effluent Licences										
Solid Waste Licences										
Computer Software and Applications										
Local Settlement Software Applications										
Unspecified										
Computer Equipment			261							
Computer Equipment			261							
Furniture and Office Equipment			124							
Furniture and Office Equipment			124							
Machinery and Equipment										
Machinery and Equipment										
Transport Assets										
Transport Assets										
Land										
Land										
Zoo's, Marine and Non-biological Animals										
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on renewal of existing	1	88 638	112 360	10 430	5 012	5 015	5 010	11 370	5 560	5 430
Renewal of Existing Assets as % of total capex		0.0%	91.4%	16.7%	5.0%	5.4%	3.4%	10.5%	7.7%	7.9%
Renewal of Existing Assets as % of deprecia		268.3%	438.8%	34.7%	13.8%	13.9%	13.9%	33.3%	16.8%	14.2%

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Table SA34e: - Capital Expenditure on the upgrading of existing assets by asset class – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class										
Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revisions		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure				10 127	47 349	36 795	36 795	34 338	31 591	29 308
Roads Infrastructure				922	7 251	7 889	7 889	11 000	6 651	6 080
Roads				922	7 251	7 889	7 889	11 000	6 651	6 080
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure										
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure				1 050	10 790	1 955	1 955	14 550	5 490	5 500
Power Plants										
HV Substations				1 050	4 280	1 645	1 645	3 340	2 985	1 500
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks					6 510	320	320	11 210	5 505	4 000
LV Networks										
Capital Spares										
Water Supply Infrastructure				1 112	4 410	5 457	5 457	2 970	2 300	3 300
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations				30	1 340	1 340	1 340			
Water Treatment Works				200	210	400	400			
Bulk Mains										
Distribution				881	2 660	3 717	3 717	2 970	2 300	3 300
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure				15 044	24 937	21 484	21 484	25 515	15 140	6 148
Pump Station				80						
Retreatment				3 209	5 434	5 632	5 632	2 850	1 795	3 470
Waste Water Treatment Works				11 775	19 503	14 553	14 553	22 955	13 344	2 678
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Waste Water Infrastructure										
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure										
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure										
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure										
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										

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**Table SA34e: - Capital Expenditure on the upgrading of existing assets by asset class –
(NT – supporting tables) - CONTINUE**

WC042 Hessequa - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Estimates		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Community Assets		-	-	1 348	3 728	3 719	3 719	3 183	4 894	3 839
Community Facilities		-	-	1 136	1 820	1 819	1 819	955	1 770	1 110
Halls		-	-	6	-	-	-	-	30	-
Centres		-	-	18	-	-	-	-	260	260
Crèches		-	-	44	-	-	-	100	320	100
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	108	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	101	267	267	35	270	-
Cemeteries/Crematoria		-	-	696	1 252	1 252	1 252	670	670	500
Police		-	-	-	-	-	-	-	-	-
Prisons		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	344	300	300	300	250	330	280
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	21	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	211	1 908	1 900	1 900	2 198	3 124	2 420
Indoor Facilities		-	-	196	63	45	45	145	1 109	420
Outdoor Facilities		-	-	16	1 855	1 855	1 855	2 053	2 015	2 000
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		-	-	237	80	160	160	-	65	-
Operational Buildings		-	-	229	80	160	160	-	65	-
Municipal Offices		-	-	207	80	160	160	-	65	-
Pay/Enquiry Points		-	-	22	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	8	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	8	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

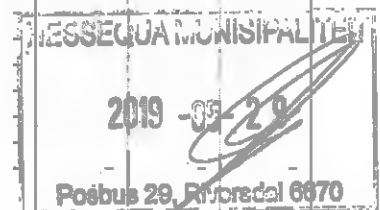


Table SA34e: - Table SA34e: - Capital Expenditure on the upgrading of existing assets by asset class – (NT – supporting tables) - CONTINUE

WC042 Hessequa - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Forecasts		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licences		-	-	-	-	-	-	-	-	-
Solid Waste Licences		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Local Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	166	280	238	238	93	9	9
Furniture and Office Equipment		-	-	166	280	238	238	93	9	9
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing a	1	-	-	16 877	51 477	40 912	40 912	57 584	36 559	23 847
Upgrading of Existing Assets as % of total capex		0.0%	0.0%	31.9%	51.2%	44.2%	44.2%	52.2%	48.9%	34.7%
Upgrading of Existing Assets as % of deprecn"		0.0%	0.0%	66.2%	143.2%	113.8%	113.8%	165.7%	101.5%	62.6%

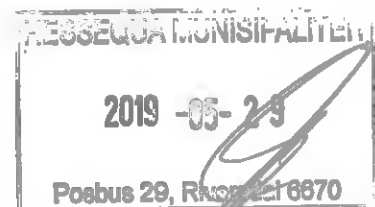


Table SA34c: - Repairs and maintenance expenditure by asset class – (NT – supporting tables)

WC042 Hessequa - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2016/17	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Repairs and maintenance expenditure by Asset Class/Sub-class	1									
Infrastructure		4 158	48 273	46 282	67 079	67 000	67 000	63 216	69 448	73 211
Roads Infrastructure		1 641	18 412	18 668	19 976	20 016	20 016	20 389	22 632	24 188
Roads		1 641	18 412	18 668	19 776	19 816	19 816	19 969	22 187	23 724
Road Structures										
Road Furniture				199	200		200	420	446	472
Capital Spares										
Storm water Infrastructure				285	286	286	286	303	321	341
Drainage Collection										
Storm water Conveyance				286	286		286		321	341
Attenuation										
Electrical Infrastructure		1 801	10 337	10 582	13 302	13 063	13 063	15 635	16 720	17 863
Power Plants				470	610		1 026			1 054
HV Substations										
HV Switching Station		225								
HV Transmission Conductors			10 337							
MV Substations										
MV Switching Stations										
MV Networks				10 018	12 078	11 763	11 763	14 335	15 344	16 424
LV Networks				164	314	314	314			374
Capital Spares										
Water Supply Infrastructure		848	8 687	9 464	11 280	11 070	11 070	12 127	12 974	13 881
Dams and Weirs										
Boreholes										
Reservoirs		848	8 687							
Pump Stations				283	772	810	810	814		919
Water Treatment Works					186		280	180	175	186
Bulk Mains										
Distribution				9 181	10 372	10 485	10 485	11 143	11 932	12 776
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		66	8 766	9 040	9 786	9 618	9 618	11 150	11 634	12 774
Pump Station		66		634	428	428	428	483	481	509
Retreatment			1 300							
Waste Water Treatment Works			7 664	8 406	9 128	8 963	8 963	10 465	11 198	11 869
Outfall Reservoirs										
Toilet Facilities				60	228	228	228	282	260	291
Capital Spares										
Solid Waste Infrastructure		22	2 061	2 014	2 431	2 367	2 367	3 615	3 867	4 137
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities				2 014	2 431	2 367	2 367	3 615	3 867	4 137
Waste Drop-off Points		22	2 061							
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure										
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure										
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure										
Data Centres										
Cable Layers										
Distribution Layers										
Capital Spares										

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Table SA34c: - Repairs and maintenance expenditure by asset class – (NT – supporting tables) - continue

WC042 Hessequa - Supporting Table SA34c Repairs and maintenance expenditure by asset class										
Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19			2018/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Community Assets		442	-	7 401	8 717	8 661	9 981	16 016	11 981	11 813
Community Facilities		81	-	1 008	1 849	2 310	2 310	2 517	4 086	3 138
Halls		80	-	243	314	324	324	319	439	369
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations				499	841	822	822	1 439	1 540	1 647
Museums		8		3	18	32	32	17	18	19
Galleries										
Theatres										
Libraries		6		313	215	840	840	66	1 388	330
Cemeteries/Crematoria				537	809	588	588	627	671	718
Police										
Parks				7	28	17	17	28	30	31
Public Open Space		7		4	27	0	0		30	32
Nature Reserves						90	90			
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities		361	-	5 786	5 801	6 771	6 771	7 499	7 886	8 378
Indoor Facilities		361		5 141	5 111	6 050	6 050	6 678	6 987	7 438
Outdoor Facilities				653	748	721	721	821	878	839
Capital Spares										
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment Properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Other assets		5 974	8 379	1 571	2 161	1 888	1 458	2 234	2 372	2 530
Operational Buildings		5 974	8 379	1 661	2 129	1 845	1 845	2 209	2 358	2 612
Municipal Offices		1 554		1 209	1 472	1 388	1 388	1 546	1 653	1 767
Pay/Enquiry Points				38	88	40	40	88	72	78
Building Plan Offices			8 379							
Workshops		4 420		182	295	218	218	296	318	336
Yards										
Stores				182	296	201	201	296	318	336
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing		-	-	20	21	21	21	15	16	18
Staff Housing										
Social Housing				20	21	21	21	15	16	18
Capital Spares										

Table SA34c: - Repairs and maintenance expenditure by asset class – (NT – supporting tables) - continue

WC042 Hessequa - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revised	1									
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licences		-	-	-	-	-	-	-	-	-
Solid Waste Licences		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		285	1 476	1 701	1 908	1 902	1 902	2 155	2 209	2 453
Computer Equipment		285	1 476	1 701	1 908	1 902	1 902	2 155	2 209	2 453
Furniture and Office Equipment		38	139	158	265	268	265	278	301	328
Furniture and Office Equipment		38	139	158	265	268	265	278	301	328
Machinery and Equipment		326	1 096	1 035	2 473	2 409	2 409	2 529	2 748	2 929
Machinery and Equipment		326	1 096	1 035	2 473	2 409	2 409	2 529	2 748	2 929
Transport Assets		4 481	4 170	9 008	4 113	4 131	4 131	3 182	3 581	4 058
Transport Assets		4 481	4 170	9 008	4 113	4 131	4 131	3 182	3 581	4 058
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	15 886	63 533	69 154	76 764	76 735	76 735	83 578	91 708	97 922
R&M as a % of PPE		2.4%	6.4%	8.0%	9.0%	8.2%	8.2%	10.1%	10.1%	10.3%
R&M as % Operating Expenditure		4.6%	16.2%	17.1%	18.2%	18.0%	18.0%	17.5%	18.4%	17.5%

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Table SA35 - Future financial implications of the capital budget – (NT – supporting tables)**WC042 Hessequa - Supporting Table SA35 Future financial implications of the capital budget**

Vote Description R thousand	Ref	2019/20 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Present value
Capital expenditure	1							
Vote 01 - Office Of The Mm		56	367	383	59	63	67	-
Vote 02 - Corporate Services		3 103	4 589	2 511	2 940	3 116	3 303	-
Vote 03 - Financial Services		447	8 112	2 134	293	311	329	-
Vote 04 - Community Services		3 478	1 092	8 895	3 685	3 906	4 140	-
Vote 05 - Technical Services		103 282	63 143	54 801	62 648	66 301	70 279	-
Vote 06 - Spatial Plannign & Environmental Managem		35	846	10	67	71	75	-
Vote 07 - Health		-	-	-	-	-	-	-
Vote 08 - Planning And Development		-	-	-	-	-	-	-
Vote 09 - Environmental Protection		-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-
Vote 11 - Water Management		-	-	-	-	-	-	-
Vote 12 - Waste Water Management		-	-	-	-	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-
Vote 14 - Road Transport		-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-
List entity summary if applicable								
Total Capital Expenditure		110 409	77 943	68 733	88 581	73 767	78 193	-
Future operational costs by vote	2							
Vote 01 - Office Of The Mm								
Vote 02 - Corporate Services								
Vote 03 - Financial Services								
Vote 04 - Community Services								
Vote 05 - Technical Services								
Vote 06 - Spatial Plannign & Environmental Management								
Vote 07 - Health								
Vote 08 - Planning And Development								
Vote 09 - Environmental Protection								
Vote 10 - Electricity								
Vote 11 - Water Management								
Vote 12 - Waste Water Management								
Vote 13 - Waste Management								
Vote 14 - Road Transport								
Vote 15 - Other								
List entity summary if applicable								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates		94 657	101 693	109 828				
Service charges - electricity revenue		157 911	171 272	184 999				
Service charges - water revenue		40 987	44 256	47 786				
Service charges - sanitation revenue		23 332	25 199	27 214				
Service charges - refuse revenue		22 895	24 154	26 087				
Rental of facilities and equipment		2 660	2 871	3 099				
List other revenues sources if applicable		8 688	8 723	8 729				
List entity summary if applicable								
Total future revenue		351 129	378 169	407 742	-	-	-	-
Net Financial Implications		(240 720)	(300 225)	(330 000)	88 581	73 767	78 193	-

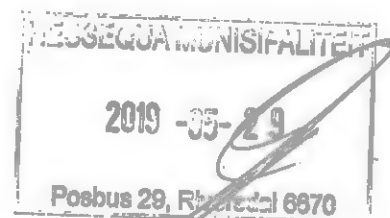


Detailed capital budget per municipal vote

HESSEQUA MUNICIPALITY

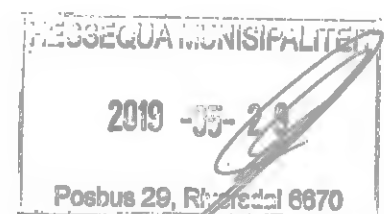
CAPITAL BUDGET 2019/20

No	Project description	Ward	Reg	Fund Z	Vote Budget 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
1.1	Extension of Cemeteries - Heidelberg	4,5,9	H/B	CRR	120 000				
1.2	Extension of cemetery - Still Bay	1,3	S/B	CRR	200 000	500 000	500 000		
1.3	Mark of cemeteries : Graves - Hessequa	HQ	H/Q	CRR	50 000	70 000			
1.4	Fencing of cemeteries - Slangrivier	4	S/R	CRR	0				
1.5	Upgrading of old Cemeteries - Hessequa	HQ	H/Q	CRR	200 000	200 000	200 000		
1.6	Building of toilet & Waterpoints at cemetery - Slangrivier	4	S/R	CRR	200 000				
	TOTAL CEMETERIES				770 000	770 000	700 000	0	0
2.1	Burglar Proofing - Duivenhoks Hall	4,5	H/B	CRR		30 000			
2.2	Building on to Thuzong Centre - R/D	HO	H/Q	Loan	300 000				
	TOTAL COMMUNITY HALLS				300 000	30 000	0	0	0
3.1	Stake - Alwerdtje & Middelstond	8	R/D	CRR	100 000	100 000	100 000	100 000	100 000
	TOTAL OTHER				100 000	100 000	100 000	100 000	100 000
4.1	Fencing of play parks - Hessequa	HQ	H/Q	CRR	70 000	70 000	70 000		
4.2	Development "Tuin op die Brak" - Inventory - S/B	1	S/B	CRR	20 000	25 000	30 000		
4.3	Park Benches - Hessequa	HQ	H/Q	CRR	60 000	60 000	60 000		
4.4	Upgrade of playparks - Hessequa	HQ	H/Q	CRR	250 000	100 000	100 000	250 000	100 000
	TOTAL PARKS & GARDENS				400 000	255 000	260 000	250 000	100 000
5.1	Development of Uitwijk Dam - Riversdal	7	R/D	CRR	40 000				
5.3	Upgrading of Fencing - Weskamp - W/S	4	W/S	CRR		30 000			
5.4	Upgrading of Ablution Facilities - Middelkamp - W/S	4	W/S	CRR	30 000				200 000
5.5	Upgrading of Ablution Facilities - Jongensfontein	3	J/F	CRR		100 000	250 000		100 000



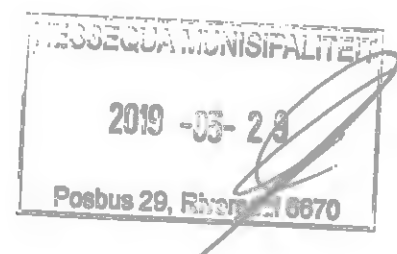


No	Project description	Ward	Rat	Fund 2	Rev Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
5.6	Repair Streets - Jongsfontein	3	J/F	CRR		200 000			
5.7	Retulding of streets & provision of stormwater - Preekstoel	1	S/B	CRR	50 000				
5.8	Upgrading of Ablution Facilities - Preekstoel	1	S/B	CRR	245 000	50 000	50 000		
5.9	Replacement of Camp Fence - Gourdamond	1	G/M	CRR	50 000				
5.10	Building of braai facilities- Middelkamp W/S	4	W/S	CRR			25 000		
5.11	Blinds for Chalets - Preekstoel S/B	1	S/B	CRR	35 000	5 000	5 000		
5.12	New gate for entrance- Preekstoel S/B	1	S/B	CRR			30 000		
5.14	New gate for entrance- Jongsfontein S/B	3	S/B	CRR	25 000				
5.15	Electronic motor for entrance gates- JFTN - S/B	3	S/B	CRR		9 000			
5.16	Upgrading of Ablution facilities - Ellenrust S/B	1	S/B	CRR	200 000		650 000	450 000	200 000
5.18	Additional Braai facilities at Preekstoel Day Camp	1	S/B	CRR			15 000		
5.19	Replacing window frames with aluminium - JFTN	3	J/F	CRR		100 000	100 000	50 000	
5.20	New thatch roof chalets - Jongsfontein	3	J/F	CRR	100 000	200 000	120 000		
5.24	Sprinkler System - Preekstoel	1	S/B	CRR		150 000	100 000		
5.25	Upgrading of chalets - Ellenrust	1	S/B	CRR		400 000	150 000	200 000	
5.26	Upgrading of chalets - Preekstoel	1	S/B	CRR		250 000			
5.27	New centralised Braai facilities - Ellenrust	1	S/B	CRR		65 000			
5.28	New roofs at parking areas next to chalets - Ellenrust	1	S/B	CRR		100 000	150 000		
5.29	Retaining blocks at Beach ablution - Preekstoel	1	S/B	CRR	70 000				
5.30	Electrification of stands - Preekstoel	1	S/B	CRR		200 000			
5.31	New Playpark - Ellenrust	1	S/B	CRR		35 000			
5.32	New Playpark - Preekstoel	1	S/B	CRR			35 000		
5.34	New curtains - Ellenrust	1	S/B	CRR		40 000	40 000		
5.35	New Curtains - Jongsfontein	3	J/F	CRR		50 000			
5.36	Upgrading of Fire hydrants Camps	HQ	H/Q	CRR	50 000				
5.37	New chairs Beach to Preekstoel	1	S/B	CRR		175 000			
	TOTAL RECREATIONAL				1 005 000	2 110 000	1 720 000	710 000	600 000
6.2	Development of Sportgronde - Siangrivier	4	S/R	MIG	2 000 000	2 000 000	2 000 000	3 000 000	



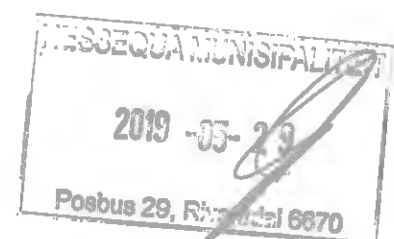


No	Project description	Ward	Rat	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
6.3	Development of Sportgronde - Slagrvier - Counter Funding	4	S/R	Loan	1 000 000	1 000 000			
6.4	Upgrading of Sportsfields - Melkhoutfontein	1	S/B	MFG	2 000 000	2 000 000	2 000 000	2 000 000	
6.5	Upgrading of Sportsfields - Melkhoutfontein Counter Funding	1	S/B	Loan	1 000 000	1 000 000			
6.6	Upgrading of Sportsfields funding - S/B	1,3	S/B	Loan	250 000				
	TOTAL SPORTFIELDS & STADIUM				4 250 000	4 000 000	2 000 000	2 000 000	0
7.1	Upgrading swimming pool & floor - Heidelberg	9	H/B	Loan	310 000	100 000			
7.2	Upgrading of swimming pools - De Mist - Riversdal	6	R/D	Loan	409 000				
7.3	Booster pumps - Hessequa	HQ	H/Q	CRR	20 000		35 000	30 000	
7.4	Concrete benches and tables - Takdekskloof	7	R/D	CRR	13 000	15 000			
	TOTAL SWIMMING POOLS				749 000	115 000	35 000	30 000	0
8.1	Upgrade Supply cable to SS Albertinia (MP 5.3.8)	2	A/B	CRR	85 000				
8.2	MS Fourie at No. 1 & MS Kloof Street (MP 5.2.3)	4,5	H/B	Loan		975 000			
8.4	Refurbishment of sub-stations - Riversdal	6,7,8	R/D	CRR	150 000	150 000	150 000		
8.5	Refurbishment of sub-stations - Heidelberg	4,5	H/B	CRR	150 000	150 000	150 000		
8.6	Replace cable between Buftakant street and Fourie Street	4,5	H/B	Loan	820 000				
8.8	MV retic MS Krag Stasie & RMU Niekirk Str, incl RMU Markplein	4,5	H/B	Loan			1 420 000		
8.9	Replace cable between MS Kragstasie & PMT Waterwees	4,5	H/B	Loan		1 140 000			
8.11	Replace OH lin between RMU Uys Street & PMT Rugby Field	4,5	H/B	Loan		560 000			
8.12	MV Retic between MS Joubert Street & Sub 8 (MP 5.2.5)	4	W/S	Loan		570 000			
8.14	MV Retic between MS Protea St & Sub 10 (MP 5.3.2)	4	W/S	Loan	915 000				
8.15	Replace SS Hospital bus switch with RMU (MP 5.2.1)	7	R/D	CRR	170 000				
8.16	SS Hospital (MP 5.2.2)	7	R/D	CRR	280 000				
8.17	Retic between SS Hospital & Kragstasie (MP 5.2.3)	7	R/D	Loan	950 000				
8.18	Replace Retic between MS Mulder & SS Pauw St (MP 5.2.4)	7	R/D	CRR	315 000				
8.19	RMU Bauhinia St (MP 5.2.5)	7	R/D	CRR			515 000		



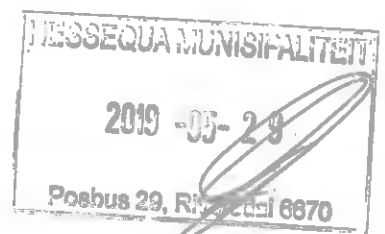


Proj. No.	Project Description	Ward	Rat	Fund 2	Year Budget 2019/20	Budget 2019/2021	Budget 2021/2023	Budget 2023/2025	Budget 2025/2027
8.20	Retic RMU Laidlaw/Reef RMU Bantshile (MP 5.2.7)	7	R/D	CRR			240 000		
8.21	SS Main Reticulation to MS Waterwerke (MP 5.3.5)	7	R/D	Loan	760 000				
8.24	RMU Versveld (MP 5.3.8)	8	R/D	CRR		140 000			
8.25	Retic RMU Heese Str & PMT Beverley Hills (MP 5.3.6)	8	R/D	CRR		60 000			
8.26	Retic between SS Louwrens & RMU Oster (MP 5.3.11)	7	R/D	CRR			200 000		
8.27	Retic between SS kragtasie & RMU Oster (MP 5.3.13)	7	R/D	Loan			910 000		
8.28	Upgrading of network - Stilbaai - West/East	1,3	S/B	Loan			800 000		
8.29	Upgrading O-Line Stilbaai - MS Indraf	1,3	S/B	CRR		240 000			
8.30	Upgrading Network - 185mm ² Cable SS Platebosch to SS3 (MP 5.2.4)	1,3	S/B	Loan		2 225 000			
8.31	Replace MV OH Line In Bosbok Ave	1,3	S/B	Loan		800 000			
8.32	MS C Rust to MS SS X (MP 5.3.3)	1,3	S/B	Loan	600 000				
8.33	MS Gordon Slot to MS HH Steyn (MP 5.3.4)	1,3	S/B	Loan		670 000			
8.34	RMU Wegge Street (MP 5.3.11)	1,3	S/B	CRR		430 000			
8.35	Undermilkwood ring (MP 5.3.14)	1,3	S/B	CRR			360 000		
8.36	RMU Prinsloo, RMU Hooftweg Wes 4 (MP 5.3.15)	1,3	S/B	CRR			585 000		
8.37	RMU Jaspersfontein No. 2 (MP 5.3.17)	1,3	S/B	CRR		375 000			
8.39	Ring between PMT 4 & Erica Cres MHF (MP 5.3.24)	1,3	S/B	CRR		175 000			
8.40	MV cable between Main Sub & MS 6 (MP 5.3.1)	1	G/M	Loan	650 000				
8.41	MS Middelburg (MP 5.2.1)	2	A/B	CRR		470 000			
8.42	Replot MV cable GMT Stasie & GMT R&A Koop - FR Request	2	A/B	CRR	140 000				
8.43	MV Overhead Connection at PMT L (5.3.2)	2	A/B	CRR	35 000				
8.44	MS Rowweldip 2 (MP 6.3.9) - JFHT	3	J/F	Loan		720 000			
8.45	Upgrading Strand Street Street Lights - JFTN	3	J/F	CRR	70 000				
8.46	MV kabel transformator vervang - R/D	6,7,8	R/D	CRR			130 000		
8.47	MV kabel tussen Gazania street en Lanoria street substasie	6,7,8	R/D	CRR		380 000			
8.48	Rural Lines - Installation of sectionalisers & load switches	6,7,8	R/D	CRR	100 000				
8.49	Transformators herstel kragtasie bystand masjiene	6,7,8	R/D	CRR			160 000		





S.p.	Project Description	Ward	Rat	Final	Proj Budget 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
8.50	Replace MV ring switches Lady Smit substation	6,7,8	R/D	CRR			800 000		
8.51	Replace ring switch Protea Street	6,7,8	R/D	CRR		200 000			
8.52	Electricity Network - Low Cost Housing - H/Q	HQ	H/Q	INEP	1 985 000	1 200 000	1 600 000		
8.53	Service of Municipal property - Slangrivier	4	S/R	CRR	25 000				
8.54	Service of Municipal property - Heidelberg	4,5	H/B	CRR	50 000				
8.55	Service of Municipal property - Riversdale	6,7,8	R/D	CRR	50 000				
8.56	Service of Municipal property - Albertinia	2	A/B	CRR	25 000				
8.57	Telemetry - HQ	HQ	H/Q	Loan	700 000		1 500 000		
8.59	Service of 11 stands - MHFT	1	S/B	CRR	220 000				
8.60	Streetlights - H/Q	HQ	H/Q	CRR	300 000				
8.61	MS Pentzstraat 315KVA new Substation - H/B	4,5	H/B	Loan	500 000				
8.62	MS Van Riebeeckstraat 315 KVA new substation - H/B	4,5	H/B	Loan	500 000				
8.63	New SF6 gas Auto Recloser at Diepkloof substation - H/B	4,5	H/B	Loan	275 000				
8.64	Upgrading of sub-stations - Riversdal	6,7,8	R/D	Loan	150 000				
8.65	Replace old polecasing at Joe Slovo Park - H/B	4,5	H/B	Loan	300 000				
8.66	Move 11KV over head line at Robble Du Preez Farm. - H/B	4,5,9	H/B	Loan	250 000				
8.67	Move H/V & L/V line underground - Van Riebeeckstreet- H/B	4,5	H/B	Loan	300 000				
8.68	Replace 24 kloaks in Wes Camp - W/S	4	W/S	CRR	150 000				
8.69	Upgrade MV line from Middellkamp to Hooftweg - W/S	4	W/S	Loan	1 500 000				
8.70	MV Ratio between MS Tomlinson & OH Line Elke Road	4,5	H/B	Loan	420 000				
8.71	RMU Ixia Street (MP 5.3.1)	7	R/D	Loan	320 000				
8.72	Relic from RMU Ixia to RMU Bauhina (MP 5.3.2)	7	R/D	Loan	1 075 000				
8.73	Relic SS Pauw St - RMU Takkeskloof (MP 5.3.3)	7	R/D	Loan	250 000				
8.74	MS Le Roux RMU (MP 5.3.16)	7	R/D	Loan	215 000				
8.75	SS-2 - RMU 2-3 - Uiting Street - re-configure cable connections (MP 5.2.1)	1,3	S/B	CRR	55 000				
8.76	MS Nautikus (MP 5.2.5)	1,3	S/B	Loan	700 000				





Item	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
8.77	MS Van Wyk Str (MP 5.2.7)	1,3	S/B	Loan	420 000				
8.78	Upgrade sections OH Line to SS1 (MP 5.3.7)	1,3	S/B	CRR	40 000				
8.79	cable between OH Line & MS Uys Str (MP 5.3.12)	1,3	S/B	CRR	70 000				
8.80	RMU Paling Street (MP 5.3.13)	1,3	S/B	Loan	420 000				
8.81	Ring between PMT 7 & Rooipletje Road MHF (MP 5.3.22)	1,3	S/B	CRR	95 000				
8.82	Cable between Main Intake Sub & RMU 5-1 Hoofweg Wes	1,3	S/B	Loan	2 600 000				
8.83	MV Cable between Main Sub & MS Kusweg (MP 5.2.3)	1	G/M	Loan	525 000				
8.84	Ring Main Unit RMU GMT R&A Koop (MP 5.3.1)	2	A/B	Loan	550 000				
8.85	INSTALLATION OF NEW TRANSFORMER - ELEC - S/B	1,3	S/B	Loan	500 000				
	TOTAL ELECTRICITY				52 055 000	11 955 000	9 710 000	0	0
9.4	Rural Refuse Containers / Depots - H/Q	9	H/Q	CRR	100 000	100 000			
	TOTAL SOLID WASTE				100 000	100 000	0	0	0
10.1	Westly road bypass (Development) - S/B	1,3	S/B	Loan		5 000 000	13 000 000		
10.3	Reseal & tar Van Wyk Street Cul de Sac - S/B	1,3	S/B	CRR		60 000	60 000		
10.4	Paving of Gravel Roads Patrick Witbooi - R/D	8	R/D	CRR		301 000			
10.6	Oeler straat (Gruis straat) - S/B	1	S/B	CRR		300 000			
10.7	Paving road 11 new erven - Melkhoutfontein	1	S/B	Loan	650 000				
10.8	Upgrading of Roads - H/Q	HQ	H/Q	Loan	5 000 000	5 000 000	5 000 000		
10.9	Speedbumps - H/Q	HQ	H/Q	CRR	200 000	300 000			
10.10	Calming Traffic - H/Q	HQ	H/Q	CRR		150 000		250 000	250 000
10.11	Bus Shelters - H/Q	HQ	H/Q	CRR	250 000				
10.12	Upgrading of Roads & Stormwater - G/M	1	G/M	Loan	400 000				
10.13	Upgrading of Roads & Stormwater - MHFT - S/B	2	S/B	Loan	450 000				
10.14	Upgrading of Roads & Stormwater - S/B East	1	S/B	Loan	250 000				
10.15	Upgrading of Roads & Stormwater - A/B	2	A/B	Loan	1 500 000				
10.16	Upgrading of Roads & Stormwater - Jongsfontein - S/B	3	S/B	Loan	550 000				
10.17	Upgrading of Roads & Stormwater - S/B West	3	S/B	Loan	1 750 000				

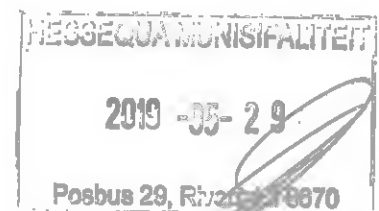




No.	Project description	Ward	Rat	Fund 2	New Budget 2019/20	Budget 2019/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
10.18	Upgrading of Roads & Stormwater - H/B - Joe Slovo	4	H/B	Loan	140 000				
10.19	Upgrading of Roads & Stormwater - S/R	4	S/R	Loan	1 000 000				
10.20	Upgrading of Roads & Stormwater - W/S	4	W/S	Loan	525 000				
10.21	Upgrading of Roads & Stormwater - H/B	6	H/B	Loan	525 000				
10.22	Upgrading of Roads & Stormwater - Wk 6 - R/D	6	R/D	Loan	850 000				
10.23	Upgrading of Roads & Stormwater - Wk 7 - R/D	7	R/D	Loan	1 380 000				
10.24	Upgrading of Roads & Stormwater - Wk 8 - R/D	8	R/D	Loan	500 000				
10.25	Upgrading of Roads & Stormwater - Wk 9 - H/B	9	H/B	Loan	1 000 000				
	TOTAL ROAD TRANSPORT				12 100 000	11 111 000	10 600 000	250 000	1 200 000
11.1	Upgrading of existing Sewerage Infrastructure (GLS) - Albertinia	2	A/B	Loan	1 550 000	750 000	750 000		
11.2	Bulk Sewer Upgrade phase 1 (GLS) - Stilbaai	1,3	S/B	Loan			1 000 000	1 485 000	
11.3	Replacement of Pumpstation Equipment - H/B	4,5	H/B	CRR		80 000	-	-	-
11.4	Replacement of Pumpstation Equipment - S/R	4	S/R	CRR		100 000	-	-	-
11.5	Flow meter - Sewerage - Hessequa	HQ	H/Q	CRR	200 000	-	300 000		
11.6	Upgrading of Sewerage works - Phase 2 - R/D	6,7,8	R/D	MIG	8 987 500	9 464 350	2 677 800	4 801 000	
11.7	Upgrading of Sewerage works - Phase 2 - R/D - Counter Funding	6,7,8	R/D	Loan		3 880 134			
11.9	Upgrading of sewerage system - H/B	9	H/B	Loan	500 000	1 000 000			
11.10	Upgrade Existing Gravity - S/B	1,3	S/B	Loan	800 000	1 045 800	1 719 700		
11.11	New Gravity Distribution - GLS Development - S/B	1,3	S/B	Loan		320 000	1 350 000		
11.12	Standby pump for irrigation system sewer dams - Jft.	3	J/F	CRR		30 000			
11.13	Upgrade Sewerage Works - S/B	1,3	S/B	Loan	14 000 000				
11.14	Service of Municipal property - Siangrivier	4	S/R	CRR	25 000				
11.15	Service of Municipal property - Heidelberg	4,5	H/B	CRR	50 000				
11.16	Service of Municipal property - Riversdale	6,7,8	R/D	CRR	50 000				
11.17	Service of Municipal property - Albertinia	2	A/B	CRR	25 000				
11.18	Laboratory Equipment - H/Q	HQ	H/Q	CRR		100 000		100 000	



No	Project description	Ward	Ra	Fund S	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
11.19	Upgrading of Sewer Infrastructure (Unserved Erven) - G/M	1	G/M	Loan	1 500 000			2 000 000	2 200 000
11.20	New Sewerage line 11 erven - Melkhoufontein	1	S/B	CRR	200 000				
TOTAL SANITATION					27 647 300	16 770 234	7 797 500	6 394 000	7 500 000
12.1	Water meters - Hessequa	HQ	H/Q	Loan	250 000	500 000	500 000	500 000	500 000
12.2	Replacement of Water Infrastructure - GLS Report - H/B	9	H/B	Loan	1 200 000	500 000	500 000	5 000 000	2 500 000
12.3	Upgrading of Main Water Supply (GLS REPORT) - Witsand	4	W/S	Loan		500 000	1 000 000		
12.5	New Reservoir Platbos - phase 1 - (GLS) - S/B	1,3	S/B	Loan		2 000 000			
12.7	Water Network Reinforcement GLS - Riversdale	6,7,8	R/D	Loan	500 000	1 000 000	1 500 000	1 500 000	
12.8	Water Specials - H/Q	HQ	H/Q	CRR	100 000	100 000	100 000		
12.9	Telemetric system - Hessequa	HQ	H/Q	Loan	1 600 000	1 000 000			
12.11	Provision of Flow Meters - Hessequa	HQ	H/Q	CRR	200 000		300 000		
12.12	Upgrading of Irrigation /Channel (elwatersloot) - H/B	4,5	H/B	CRR		200 000	200 000		
12.13	Upgrading of Sandfilters - R/D	6,7,8	R/D	CRR	200 000				
12.16	New Water Networks Distribution - GLS - S/B	1,3	S/B	Loan	4 632 406	2 500 000	2 500 000	2 500 000	2 500 000
12.19	Service of Municipal property - Slangrivier	4	S/R	CRR	25 000				
12.20	Service of Municipal property - Heidelberg	4,5	H/B	CRR	50 000				
12.21	Service of Municipal property - Riversdale	6,7,8	R/D	CRR	50 000				
12.22	Service of Municipal property - Albertinia	2	A/B	CRR	25 000				
12.23	Water Security Measures - H/Q	HQ	H/Q	Loan	750 000		2 000 000	5 000 000	
12.24	Reservoir Roof - S/R	4	S/R	CRR	300 000				
12.25	Laboratory Equipment - Water	HQ	H/Q	CRR			200 000	100 000	
12.27	New water infrastructure for 11 new erven at Melkhoufontein	1	S/B	CRR	200 000				
12.28	Emergency generator / Storage Capacity - Hessequa	HQ	H/Q	CRR	1 870 000				
12.29	Main Water Supply - A/B	2	A/B	CRR	970 412				
12.30	Low Level Reservoir Rehabilitation - R/D	6,7,8	R/D	CRR	5 000 000				
12.31	Sand Filters - G/M	1	G/M	Loan	750 000				

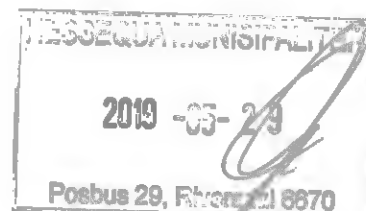




No.	Project description	Ward	Rat	Fund 2	New Budget 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
	TOTAL WATER				18 072 810	8 380 000	8 800 000	14 800 000	5 800 000
13.1	Burglar Bars - Civic Centre - groundfloor - Civic Centre - R/D	HO	H/Q	CRR		55 000			
13.5	Upgrade UPS Server Room - ICT - R/D	HO	R/D	CRR		65 000			
13.8	Fencing - Library - Albertinia	2	A/B	Library	35 000				
13.9	Paving - Library - Gouritmond	1	G/M	Library		270 000			
13.10	Fencing of new extension behind Disposal - H/B	11	H/B	CRR		250 000	250 000		
13.11	Fencing of Locomotive - Riverdal	6,7,8	R/D	CRR		75 000			
	TOTAL CIVIC LAND & BUILDINGS				35 000	715 000	250 000	0	0
14.1	1 X Computer Screen 23" - Assets/Budget - Finance	HO	R/D	CRR		2 800			
14.2	1 X Scanner - Assets - Finance	HO	H/Q	CRR	30 000	35 000			
14.3	1 x Laptop - SCM - Finance	HO	H/Q	CRR	14 000				16 000
14.4	2 X Desktop computers - online vending - Income - Finance	HO	H/Q	CRR	20 000		23 000		24 000
14.5	2 X LX300 printers - Income - Finance	HO	H/Q	CRR	6 000	6 000	6 500	6 500	6 500
14.6	2 X Laptop - Income - Finance (Interns)	HO	H/Q	CRR		28 000			
14.7	1 X Desktop Computer - Income - Finance	HO	H/Q	CRR		10 000		12 000	
14.8	1 X Routemaster Handheld - Income - Finance	HO	H/Q	CRR	32 000		36 000		38 000
14.9	1 X Routemaster Cradle - Income - Finance	HO	H/Q	CRR		17 000			
14.10	1 X Token Reader - Income - Finance	HO	H/Q	CRR	10 000		12 000		12 000
14.11	1 X Receipt Printer - Income - Finance	HO	H/Q	CRR	10 000		16 000		16 000
14.12	4 x Thermal Token Printers - Income - Finance	HO	H/Q	CRR	20 000			22 000	
14.13	1 X Scanner - Expenditure - Finance	HO	H/Q	CRR		8 500			
14.14	1 X Desktop Computers - Expenditure - Finance	HO	H/Q	CRR		10 000	10 000	10 000	
14.15	Main Frame Computer System - Finance	HO	H/Q	Loan		8 000 000	2 000 000		
14.16	1 X Laptop Witsand - Finance	HO	H/Q	CRR			15 000		
14.17	1 X Laptop Gourits - Finance	HO	H/Q	CRR			15 000		
14.18	1 X Laptop - MMO	HO	H/Q	CRR			18 000		
14.19	17 X Laptops - MMO - Councilors	HO	H/Q	CRR			360 000		



No.	Project description	Ward	Rate	Fund 2	Proj Budget 2019/20	Budget 2019/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
14.20	3 X Laptops - IDP	HO	H/Q	CRR			15 000		
14.21	2 X "Pop" Projectors - IDP	HO	H/Q	CRR		10 000			
14.22	2 X "Pop-up" Projector Screens - IDP	HO	H/Q	CRR	4 500				
14.23	1 x Laptop - Manager Parks	HQ	H/Q	CRR	14 000				
14.24	1 X Laptops - Electricity - H/B	HO	H/Q	CRR	14 000				
14.25	1 x Desktop computer Public Works, Witsand	HO	W/S	CRR			10 000		
14.26	1 x Desktop computer Public Works Slagvriev	HO	S/R	CRR			10 000		
14.27	1 x Laptop - Foreman, Public Works - Stiltsaal	HO	S/B	CRR		14 000			
14.28	1 x Laptops (New Posts Technical Services) - R/D	HO	H/Q	CRR		14 000			30 000
14.29	10 X Tablets Technical Services - H/Q	HO	H/Q	CRR	15 000	10 000			
14.30	Storage Area Network - ICT DR Site	HO	H/Q	CRR			250 000		
14.31	4 x Managed switches - ICT - Store Item	HO	H/Q	CRR	125 000				300 000
14.32	LCD Screens - ICT - Store Items	HO	H/Q	CRR	42 000	22 400		15 000	
14.34	3 x Laptops - Corporate - ICT	HO	H/Q	CRR	52 000			18 500	
14.36	1 X UPS solution Serv. Room - ICT	HO	H/Q	CRR		60 000		60 000	
14.37	1 X Raised Floors Serv.Room - ICT	HO	H/Q	CRR		60 000			
14.38	1 X Firewall Solution - ICT	HO	H/Q	CRR		200 000			
14.39	1 X DR Backup Server - ICT	HO	H/Q	CRR		320 000			
14.40	1 X Hyper Converge Server - ICT	HO	H/Q	Loan	780 000	800 000		780 000	
14.41	1 x Laptop - Corporate - HR Recruitment	HO	H/Q	CRR			17 300		
14.42	1 X Laptop Manager - H R	HO	H/Q	CRR		18 000			
14.43	2 X Laptop - HR	HO	H/Q	CRR		28 000		15 000	
14.44	2 x Laptops - Admin Committee Clerks - Corporate	HO	H/Q	CRR		32 000			
14.45	1 X Laptop Ellenrust - Corporate	HO	H/Q	CRR			15 000		
14.46	1 X Laptop Prieskloof - Corporate	HO	H/Q	CRR			15 000		
14.47	1 X Laptop - Library - Gouritsmond	1	G/M	Library	14 000				
14.48	1 X Printer - Library - Gouritsmond	1	G/M	Library	3 500				
14.49	1 X Laptop - Library - Albertinia	2	A/B	Library	14 000				

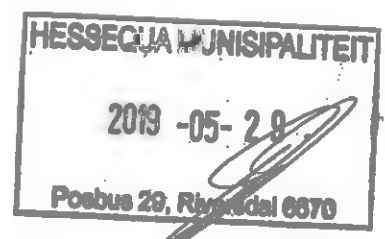




	Project description	Ward	Ref	Project ?	New Budget 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
14.50	1 X Printer - Library - Albertinia	2	A/B	Library	3 500				
14.51	1 x Desk Computer - Library - Melkhoutfontein	1	S/B	Library			12 000		
14.52	1 x Printer - Library - Melkhoutfontein	1	S/B	Library			3 500		
14.53	1 x Desk Computer - Library - Slangrivier	4	S/R	Library			12 000		
14.54	1 x Printer - Library - Slangrivier	4	S/R	Library			3 500		
14.59	1 X Computer Monitor - Town Planning	HO	H/Q	CRR		2 800			
14.60	2 X Laptop - Town Planning	HO	H/Q	CRR		28 000			
14.61	1 x Desktop Computer - Tourism	HO	H/Q	CRR			10 000		
14.62	2 X Laptop - LED	HO	H/Q	CRR		40 000		20 000	
14.63	1 x Laptop - Community Service/Traffic	HO	H/Q	CRR		14 000		14 000	
14.64	8 x Desktop Computers - Traffic	HO	H/Q	CRR	30 000	30 000	10 000		
14.65	1 x 50" LCD Screen - Control Room - Fire	HO	H/Q	CRR	20 000				
14.66	1 X Colour Laser Printer - MPCC	HO	H/Q	CRR		7 500			
14.70	1 X Laptop - System Developer - IT	HO	H/Q	CRR	14 000				
14.73	1 X Laptop - Labour Relations - HR	HO	H/Q	CRR	14 000				
14.74	1 X Laptop - Property Management - Corporate	HO	H/Q	CRR	14 000				
14.75	2 X Laptop - Intams - Finance	HO	H/Q	FMG	0				
14.76	1 X Laptop - Clerk Rates & Taxes - Finance	HO	H/Q	CRR	14 000				
14.77	1 X Laptop - Principle Clerk - Budgets - Finance	HO	H/Q	CRR	18 000				
14.79	1 X Laptop - Clerk Tender Management - SCM	HO	H/Q	CRR	14 000				
14.80	1 X Laptop - Administrator - IDP	HO	H/Q	CRR	14 000				
14.85	1 X Laptop - Foreman Solid Waste	HO	H/Q	CRR	14 000				
14.86	2 X Desktop computers & Monitors - Income - Finance	HO	H/Q	CRR	20 000				
14.87	1 X Laptop - Income - Finance	HO	H/Q	CRR	18 000				
14.88	Budget Tool - Budget - Finance	HO	H/Q	FMG	339 000				
14.89	Budget Tool - Budget - Finance	HO	H/Q	CRR	170 000				
	TOTAL IT				1 922 500	1 698 000	1 514 000	3 500	144 000
15.1	1 x Stove - Sportfields - Riverville	6	R/D	CRR	12 000		18 000		



Nr	Project description	Mera	Vol	Fund S	New Budget 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24
15.2	20 X Steeltables - Sportsgrounds Hall - Heidelberg	4,5	H/B	CRR		16 000			
15.3	70 X Plastic Chairs - Sportsgrounds hall - Heidelberg	4,5	H/B	CRR		9 100			
15.4	10 x Steel Tables - Theronville Hall	2	A/B	CRR		5 000			
15.5	3 X Fridges - Halls - Hessequa	HQ	H/Q	CRR	5 000		6 000		
15.6	Bed and Base sets - Chalets Jongensfontein	3	J/F	CRR		62 985			
15.7	Bed and Base sets - Chalets Talkieskloof	7	R/D	CRR		5 400			
15.8	Stoves - Talkieskloof	7	R/D	CRR		10 000			
15.9	Fridges - Talkieskloof	7	R/D	CRR		5 000			
15.10	Microwaves - Talkieskloof	7	R/D	CRR		2 335	2 520		
15.11	Long Table (Speaker)	HO	H/Q	CRR		3 000			
15.12	2 x Desk with drawer (Raadsede)	HO	H/Q	CRR		34 000			
15.13	4 x visitors chairs (Raadsede)	HO	H/Q	CRR		5 300			
15.14	1 x Filing Cabinet (Mayor)	HO	H/Q	CRR		6 400			
15.15	Occupational Safety Equipment - HR-HQ	HO	H/Q	CRR	17 000	20 000	23 000	26 000	26 000
15.16	2 X High Back chairs - IDP	HO	H/Q	CRR	7 500				
15.17	5 x High Back Chairs - ICT	HO	H/Q	CRR		15 000			
15.18	2 X Desk - ICT	HO	H/Q	CRR	4 500				
15.19	2 X Lockers - ICT	HO	H/Q	CRR		6 000			
15.20	2 X Office Chairs - ICT	HO	H/Q	CRR	6 500				
15.21	4 X Visitors Chairs - ICT	HO	H/Q	CRR	4 500	4 500			
15.26	Klankstele vir Raadsaal - Admin	HO	H/Q	CRR		300 000			
15.27	1 x Bookcase - Media (Admin)	HO	H/Q	CRR		3 500			
15.28	1 x Filing Cabinets - Admin (Media)	HO	H/Q	CRR		6 400			
15.29	2 x Office Chairs - Admin (Media)	HO	H/Q	CRR			7 000		
15.30	6 x Communication / Marketing Banners - Admin (Media)	HO	H/Q	CRR			10 000		
15.32	Fridges - Jongensfontein	3	J/F	CRR	10 000		20 000		
15.33	Stoves - Jongensfontein	3	J/F	CRR	9 000	10 285			
15.34	Microwaves - Jongensfontein	3	J/F	CRR			5 000		



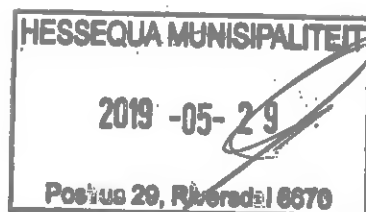


No.	Project Description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
15.35	Fridges - Ellenrust	1,3	S/B	CRR			12 000		
15.36	Stoves - Ellenrust	1,3	S/B	CRR			15 000		
15.37	Microwaves - Ellenrust	1,3	S/B	CRR			6 500		
15.38	Mattresses, Beds & mattress covers - Ellenrust	1,3	S/B	CRR	15 000		20 000		
15.39	Tables & Chairs - Ellenrust	1,3	S/B	CRR		15 000			
15.40	Fridges - Preekstoep	1,3	S/B	CRR		20 000	8 000		
15.41	Stoves - Preekstoep	1,3	S/B	CRR	20 000		20 000		
15.42	Tables & Chairs - Preekstoep	1,3	S/B	CRR	5 000	20 000			
15.43	Mattresses & Beds - Preekstoep	1,3	S/B	CRR	15 000	25 000			
15.44	6 X Study Tables - Library - Protea	2	A/B	Library	6 000				
15.45	8 X Blinds - Library - Protea	2	A/B	Library	27 700				
15.46	24 X Chairs - Library - Protea	2	A/B	Library	15 000				
15.47	Storeroom - Library - Melkhoutfontein	1	S/B	Library	5 000				
15.48	Bookcase	3	S/B	Library	2 000				
15.49	Cupboard with Shelves - MM	HO	H/Q	CRR		3 000			
15.50	1 X Stapler (big) - MM	HO	H/Q	CRR		600			
15.51	1 x Punch (large) - MM	HO	H/Q	CRR		500			
15.52	1 X Typist Chair - MM	HO	H/Q	CRR		4 600			
15.53	1 X Heavy duty chair - ICT	HO	H/Q	CRR	2 000				
15.59	12 x Shelves - Library - Riversdale	6,7,8	R/D	Library	5 000				
15.67	Shelves - Library - Slibay	1,3	S/B	Library		260 000			
15.68	5 x Curtains / blinds - Library - Slangrivier	4	S/R	Library			30 000		
15.80	New format for Office - Manager Parks	HO	H/Q	CRR	8 000				
15.81	Table & Chair - Landfill site - Algeria	1	A/B	CRR	2 200				
15.82	1 X Standard 2 Drawer - Environment	HO	H/Q	CRR	2 200				
15.83	Roller Door Credenza 500x500-Shelf - Environment	HO	H/Q	CRR	3 500				
15.84	10 x Officers Parade Room Tables - Traffic	HO	H/Q	CRR		10 000			
15.85	10 x Officers Parade Room Chairs - Traffic	HO	H/Q	CRR		15 000			





No.	Project description	Ward	Ref	Fund 1	New Budget 2019/20	Budget 2000/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
15.66	2 x Cushion Chair - Traffic	HQ	HQ	CRR	5 000				
15.67	1 X Desk with drawers - Animal Pound - LE	HQ	HQ	CRR			3 000		
15.68	1 X Office Chair - Animal Pound - LE	HQ	HQ	CRR	1 500				
15.69	Mattresses - Disaster Management	HQ	HQ	CRR	20 000	20 000			
15.70	Blankets - Disaster Management	HQ	HQ	CRR	10 000	20 000			
15.71	2 X Digital Clock - SCM - Fin	HQ	HQ	CRR	2 000				
15.72	4 X Heavy Duty High back Chair - Income - Fin	HQ	HQ	CRR	14 500				
15.73	10 X Visitors Chairs with arms - Income - Fin	HQ	HQ	CRR	3 500				
15.74	2 X Visitors chairs - Rd Odendaal	HQ	HQ	CRR	1 450				
15.75	1 X 3 Seat leather dark brown coach - Mayor	HQ	HQ	CRR	10 000				
15.76	1 X Executive High Back Chair - Mayor	HQ	HQ	CRR	4 700				
15.77	1 X High Back Chair - Mayor PA	HQ	HQ	CRR	2 380				
15.78	1 X Laminating Machine - Mayor PA	HQ	HQ	CRR	3 000				
15.79	1 X Ring Binder - Mayor PA	HQ	HQ	CRR	3 000				
15.80	1 X Heavy duty stapler - Mayor PA	HQ	HQ	CRR	1 400				
15.81	1 X White Board - Deputy Mayor	HQ	HQ	CRR	1 340				
15.82	1 X White Board - Rd Odendaal	HQ	HQ	CRR	1 340				
15.83	1 X White Board - Rd M. J. J. J.	HQ	HQ	CRR	1 340				
15.84	2 X High Back Chair Black with arms Income - Finance	HQ	HQ	CRR	3 000				
15.85	1 X Heavy Duty High Back Chair with arms - Income - Finance	HQ	HQ	CRR	2 800				
15.86	3 X 3 Drawer Desk - Income - Finance	HQ	HQ	CRR	13 500				
15.87	3 X System Cupboard - Income - Finance	HQ	HQ	CRR	11 250				
15.88	6 X Visitors Chairs with arms - Income - Finance	HQ	HQ	CRR	4 500				
15.89	1 X Cabinet Server Room - ICT	HQ	HQ	CRR	60 000	40 000			
	TOTAL FURNITURE AND OTHER OFFICE EQUIPMENT				399 610	162 685	24 000	24 000	25 800
16.1	LDV - Public Works - A/B	2	A/B	CRR		280 000			300 000
16.2	LDV - Sewerage - H/B	4,5	H/B	CRR	280 000			800 000	
16.3	LDV - Sewerage - S/B	1,3	S/B	CRR		300 000			

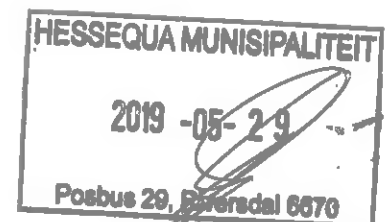




	Project Description	Ward	Ref	Fund S	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
16.4	LDV - Electricity - H/B	4,5	H/B	CRR		300 000			
16.5	1 X Sedan vehicle - IT	HQ	H/Q	CRR			250 000		
16.6	Cherry Picker - Electricity - S/B	2	A/B	CRR	1 400 000				
16.7	Double Cab Truck Tipper - Public Works - S/R	4	S/R	CRR	600 000				
16.8	Double Cab Truck Tipper - Public Works - S/B	1,3	S/B	CRR		600 000			
16.9	Suction Tanker - Sewerage - W/S	4	W/S	CRR			1 100 000		
16.10	Suction Tanker - Sewerage - S/R	4	S/R	CRR		900 000			
16.11	Suction Tanker - Sewerage (Multi Purpose) - H/Q	HQ	H/Q	CRR	1 500 000				
16.13	Roller - Public Works - R/D	HQ	R/D	CRR		600 000			
16.14	Multi-purpose Loader - Public Works - S/B	1,3	S/B	CRR		1 400 000			
16.15	Multi-purpose Loader - Public Works - H/B	4,5	H/B	CRR			1 400 000		
16.16	Ride-on Broom - H/Q	HQ	H/Q	CRR		850 000			
16.17	Tractor - Parks - S/B	1,3	S/B	CRR			850 000		
16.18	Industrial Choppers - Refuse - H/Q	HQ	H/Q	CRR	500 000	500 000	250 000		
16.19	LDV - Public Works - W/S	4	W/S	CRR		300 000			
16.20	LDV - Water - S/B	1,3	S/B	CRR			300 000		
16.21	LDV - Water - R/D	6,7,8	R/D	CRR			300 000		
16.22	Double Cab 4x4 LDV - Environmental Management - H/Q	HQ	H/Q	CRR		500 000			
16.25	1 x 4x4 Double Cab LDV with Modified Side Unit - Fire	HQ	H/Q	CRR			650 000		
16.25	1 x Mobile Jcc equipmt with Disaster Equipment - Fire	HQ	H/Q	CRR		300 000			
16.26	Compact Tractor - Camping Sites	HQ	H/Q	CRR	380 000				
16.29	Compact Mower - Camping Sites	HQ	H/Q	CRR	185 000				
16.31	Cherry Picker - Electricity - S/B	1,3	S/B	Loan	1 400 880				
16.32	Double Cab Truck Tipper - Public Works - S/B	1,3	S/B	CRR	688 000				
16.33	Suction Tanker - Sewerage - A/B	2	A/B	CRR	1 188 000				
16.34	1 X 8m3 Tipper - Public Works - H/B	4,5	H/B	CRR	700 000				
16.35	1 X 5m3 Tipper - Public Works - S/B	1,3	S/B	CRR	700 880				
16.36	Multi-purpose Loader - Public Works - A/B	2	A/B	CRR	1 388 000				



No	Project description	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2019/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
18.37	Double Axle trailer with gate - Public Works - R/D	6,7,8	R/D	CRR	150 000				
	TOTAL VEHICLES				18 750 000	8 630 000	4 880 000	320 000	320 000
17.1	Tables and Chairs - Committee Room - Thusong Centre	HO	R/D	CRR	15 000				
17.2	Crockery & Cutlery - Preekstoel	1,3	S/B	CRR	5 000	5 400	5 835		
17.3	Crockery & Cutlery - Witsand Middel Kamp	4	W/S	CRR	540	580	600		
17.4	Crockery & Cutlery - Jongsfontein	3	J/F	CRR	2 500	2 800	3 000		
	TOTAL OTHER FURNITURE				23 040	8 779	9 435	0	0
18.1	Enlarge Luthanyo Creche	7	R/D	CRR	100 000				
18.2	Fencing of Bitouville Kleuterskool	1	G/M	CRR		100 000	100 000		
18.3	Upgrading of Playpark Luthanyo Creche	7	R/D	CRR			80 000		
18.4	Upgrading of Neekuikentjie Heidelberg	4	H/B	CRR		220 000			
18.5	New Business Hub - Kwandukhulu	7	R/D	CRR	600 000				
	TOTAL OTHER BUILDINGS				700 000	320 000	180 000	0	0
19.1	Infrastructure Low Cost Housing - MHFN	1	S/B	MIG			7 500 000		
19.2	Serviced Erfs - GAP Housing	HQ	H/Q	BEH				1 000 000	
19.3	Emergency Erfs with own Services	HQ	H/Q	BEH				6 000 000	
19.4	Coling - servicing low cost housing	8	R/D	BEH				7 500 000	
	TOTAL OTHER LAND				0	0	7 500 000	13 500 000	0
20.1	Walk behind lawn mower - Parks - R/D	6,7,8	R/D	CRR		30 000			32 000
20.2	Walk behind lawn mower - Parks - S/B	1,3	S/B	CRR		30 000			32 000
20.5	Walk behind lawn mower - Parks - H/B	4,5	H/B	CRR		30 000			32 000
20.6	Weedeaters - Parks - A/B	2	A/B	CRR			8 300		8 500
20.7	Weedeaters - Parks - Heidelberg	4,5	H/B	CRR			8 300		8 500
20.8	Weedeaters - Parks - Riversdale	6,7,8	R/D	CRR		8 300		8 500	
20.9	Weedeaters - Parks - S/B	1,3	S/B	CRR		8 300	8 300	8 500	8 500
20.10	Weedeaters - Preekstoel	1	S/B	CRR			8 300		
20.12	Weedeaters - Jongsfontein	3	J/F	CRR		8 500			



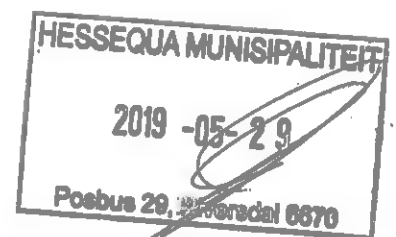


No	Project Description	Ward	Ref	Fund #	New Budget 2019/20	Budget 2018/19	Budget 2019/2021	Budget 2020/2021	Budget 2021/2022
20.13	Woodcutters - Public Works - S/R	4	S/R	CRR			8 300		
20.14	Woodcutters - Public Works - W/S	4	W/S	CRR	8 300			8 500	
20.15	Woodcutters - Public Works - G/M	1	G/M	CRR		8 300			8 500
20.16	Sewerage Rods - H/Q	HQ	H/Q	CRR	17 000	17 000	18 000	20 000	20 000
20.17	High Pressure Spout - Sewerage - Slangrivier	4	S/R	CRR		140 000			
20.18	Tar Cutter - Public Works - H/Q	HQ	H/Q	CRR		26 000			
20.19	Tar Spout (200L) - Self Heating - PW/Works - H/Q	HQ	H/Q	CRR		170 000			
20.20	Double Drum pavement roller - Public Works - H/Q	HQ	H/Q	CRR		360 000			
20.22	WAP - Public Works - R/D	6,7,8	R/D	CRR			25 000		
20.23	Jackhammers - Public Works - R/D	6,7,8	R/D	CRR	25 000		25 000		
20.24	Tools - Mechanical - H/Q	HQ	H/Q	CRR	10 000	10 000	12 000	12 000	
20.25	Tools - Electricity - H/Q	HQ	H/Q	CRR		15 000			
20.26	Tools - Public works	HQ	H/Q	CRR	30 000				
20.27	Tools for Camp - Preekstoel	1,3	S/B	CRR			10 000		
20.28	Grinder - Petrol - Public Works - S/B	1,3	S/B	CRR			9 000		
20.29	Cut off Machine/saw - Electricity - H/B	4,5	H/B	CRR		5 000			
20.30	MIG Welder - Electricity - R/D	6,7,8	R/D	CRR	15 000				
20.32	1.8 m Ladders - Electricity - H/B	4,5	H/B	CRR		1 200			
20.33	2.4 m Ladders - Electricity - R/D	6,7,8	R/D	CRR	1 500			1 600	
20.34	4.8 m Extension Ladders - Electricity - H/B	4,5	H/B	CRR		4 000			
20.36	Fibre Ladders - Electricity - H/B	4,5	H/B	CRR	10 000			10 000	
20.37	DIY Tester - for d-electric or insulation level tests	HQ	H/Q	CRR	150 000				
20.38	VLF - AC Pressure Tester - H/Q	HQ	H/Q	CRR	250 000				
20.40	Link Stick clamps DISP head - Electricity - R/D	6,7,8	R/D	CRR			3 000	3 000	
20.42	30 X Fault Indicators - Electricity - H/Q	HQ	H/Q	CRR		120 000			
20.43	Brush Cutters 1.5m - Public Works - H/Q	HQ	H/Q	CRR	38 000	38 000	40 000	40 000	42 000
20.44	Walkie-Talkie Radios - Electricity - Hessequa	HQ	H/Q	CRR		55 000	55 000	60 000	
20.46	New Road, Info and street Signs - Traffic	HQ	H/Q	CRR	150 000	150 000	160 000	170 000	170 000





Item	Project/Item/Order	Ward	Ref	Fund 2	New Budget 2019/20	Budget 2019/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
20.47	1 x Storage Containers - Traffic	HQ	H/Q	CRR	40 000				
20.48	5 x Lockers - Traffic	HQ	H/Q	CRR	50 000				
20.49	1 x Motorcycle Test Device - Traffic	HQ	H/Q	CRR	70 000				
20.50	1 x 2.4 (8 imp) Ladder - Traffic (Road Maintenance)	HQ	H/Q	CRR	4 000				
20.51	1 x Pretter - Animal Pound - LE	HQ	H/Q	CRR	3 000				
20.52	Cable & Fault detector - Low & High tension - Electr.	HQ	H/Q	CRR			300 000		
20.53	Concrete Mixer - Public Works - R/D	5,7,8	R/D	CRR	50 000				
20.54	Radio Network - Fire	HQ	H/Q	CRR	50 000				
20.55	Hoses - Fire	HQ	H/Q	CRR	10 000	10 000			
20.56	5 x Breathing Apparatus with back plate - Fire	HQ	H/Q	CRR	50 000	60 000			
20.57	10 x Cylinders - Fire	HQ	H/Q	CRR	15 000	15 000			
20.58	2 x Air Purifier respirator - Fire	HQ	H/Q	CRR	7 000				
20.59	5 x PASS Devices - Fire	HQ	H/Q	CRR	20 000	20 000			
20.60	5 x Bolt Cutters - Fire	HQ	H/Q	CRR	5 000				
20.61	5 x Hose Ramps - Fire	HQ	H/Q	CRR	10 000	10 000			
20.62	5 x Hose Dividers - Fire	HQ	H/Q	CRR	20 000	20 000	10 000		
20.63	2 x Nozzles - Fire	HQ	H/Q	CRR	20 000	15 000			
20.64	5 x Tree Axe's - Fire	HQ	H/Q	CRR	2 000				
20.65	5 x Fireman Axe - Fire	HQ	H/Q	CRR	10 000	10 000			
20.66	5 x Ceiling Hooks - Fire	HQ	H/Q	CRR	5 000				
20.67	5 x Halligan Tool - Fire	HQ	H/Q	CRR	10 000	10 000	10 000		
20.68	1 x Protégé Gas Detector - Fire	HQ	H/Q	CRR			100 000		
20.69	1 x Positive Pressure Smoke Ventilator(Blower) - Fire	HQ	H/Q	CRR	10 000				
20.70	4 x Chain Saw - Fire	HQ	H/Q	CRR	15 000	15 000			
20.71	5 x 10lb Hammer - Fire	HQ	H/Q	CRR	2 000				
20.72	5 x 4lb Hammer - Fire	HQ	H/Q	CRR	2 000				
20.73	5 x Tommy Bar - Fire	HQ	H/Q	CRR	1 000				
20.74	1 x Heat meter Camera - Fire	HQ	H/Q	CRR			80 000		





No.	Project description	Ward	Rdt.	Fund 3	New Budget 2019/20	Budget 2009/2011	Budget 2011/2012	Budget 2012/2013	Budget 2013/2014
20.75	5 x Hazmat Spades - Fire	HQ	H/Q	CRR	5 000				
20.76	5 x Spades - Fire	HQ	H/Q	CRR	1 000				
20.77	1 x Floating Suction Pump - Fire	HQ	H/Q	CRR	15 000				
20.78	1 x Stand, Gas Cylinder and Cutting Torch - Fire	HQ	H/Q	CRR			12 000		
20.79	1 x Generator - Fire	HQ	H/Q	CRR	5 000				
20.80	1 x Blower - Fire	HQ	H/Q	CRR	8 000				
20.81	1 x Brush Cutter - Fire	HQ	H/Q	CRR	10 000				
20.82	5 x Nap Sack - Fire	HQ	H/Q	CRR	5 500				
20.83	5 x Hazmat Squeegee, 610mm Rubber Blade - Fire	HQ	H/Q	CRR	1 000				
20.84	5 x Rake Hoe - Fire	HQ	H/Q	CRR	1 000				
20.85	5 x Fire Beaters - wooden handle - Fire	HQ	H/Q	CRR	1 000				
20.86	10 X Two Way Radio Devices - Protection Services	HQ	H/Q	CRR	50 000	40 000			
20.87	Fire Hydrants - Riversdale - Fire	8,7,8	R/D	CRR	70 000	50 000	50 000	70 000	
20.88	Fire Hydrants - Heidelberg - Fire	4,5	H/B	CRR	70 000	50 000	60 000	70 000	
20.89	Fire Hydrants - Stillbaai - Fire	1,3	S/B	CRR	70 000	50 000	60 000	70 000	
20.90	Fire Hydrants - Albertinia - Fire	2	A/B	CRR	70 000	50 000	60 000	70 000	
20.91	Fire Hydrants - Slangrivier - Fire	4	S/R	CRR	35 000	50 000	60 000	70 000	
20.92	Fire Hydrants - Gourdamond - Fire	1	G/M	CRR	35 000	30 000	35 000	45 000	
20.93	Fire Hydrants - Witsand - Fire	4	W/S	CRR	35 000	30 000	35 000	40 000	
20.95	1 x 40 HP 4 stroke outboard Motor - Environmental - H/Q	HQ	H/Q	CRR		75 000			
20.97	Grinder - Environment - H/Q	HQ	H/Q	CRR	4 000				
20.98	Compressor 12 v 180 lm - Environment - H/Q	HQ	H/Q	CRR	2 200				
20.99	Belt sander - Environment - H/Q	HQ	H/Q	CRR	3 500				
20.100	Walkie-Talkie Radios - Environment - H/Q	HQ	H/Q	CRR	10 000				
20.101	1 X 22 ton Winch with power pack - Mechanical - H/Q	HQ	H/Q	Loan			350 000		
20.102	Chain Saw - Environment - H/Q	HQ	H/Q	CRR	9 500				
	TOTAL PLANT & EQUIPMENT				1 733 500	1 695 000	1 630 000	777 100	962 900
21.1	Refuse Compactor - H/Q	HQ	H/Q	Loan	2 800 000			3 000 000	





No	Project description	Wagf	Ref	Fund 2	New Budget 2019/20	Budget 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
21.2	Medium Pumpers 4x4 (Fire Brigade)	HQ	H/Q	Loan	1 175 000				2 500 000
21.3	Medium Pumpers 4x4 (Fire Brigade)	HQ	H/Q	Fire	830 000				
	TOTAL SPECIALISED VEHICLES				4 804 000	0	0	0 000 000	2 500 000
					1 104 400 500	77 943 540	95 733 205	47 061 160	1,2 878 890





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Global Project Overview - Q3 2023														Regional Performance - Q3 2023			
Project ID	Project Name	Manager	Status	Start Date	End Date	Budget (k\$)	Actual Cost (k\$)	Progress (%)	Risk Level	Team Size	Client Satisfaction	North America		Europe			
												Revenue (k\$)	Profit (k\$)	Revenue (k\$)	Profit (k\$)		
P001	Project Alpha	J. Doe	Completed	2023-01-15	2023-06-30	1200	1150	95	Low	15	4.8	1500	1400	1200	1100		
P002	Project Beta	A. Smith	In Progress	2023-02-01	2023-08-15	800	750	80	Medium	10	4.5	900	850	700	650		
P003	Project Gamma	M. Johnson	On Hold	2023-03-10	2023-09-30	500	500	20	High	5	3.2	500	500	400	400		
P004	Project Delta	S. Lee	Completed	2023-04-05	2023-07-20	300	280	100	Low	8	4.9	300	280	250	230		
P005	Project Epsilon	K. Brown	In Progress	2023-05-01	2023-10-31	1500	1600	60	Medium	20	4.6	1600	1500	1300	1200		
P006	Project Zeta	L. Green	On Hold	2023-06-01	2023-11-30	700	700	10	High	12	3.5	700	700	600	600		
P007	Project Eta	P. White	Completed	2023-07-15	2023-09-15	400	380	100	Low	6	4.7	400	380	350	330		
P008	Project Theta	R. Black	In Progress	2023-08-01	2023-12-31	900	920	40	Medium	14	4.3	920	900	800	780		
P009	Project Iota	T. Gray	On Hold	2023-09-01	2024-01-31	600	600	5	High	9	3.8	600	600	500	500		
P010	Project Kappa	V. Blue	Completed	2023-10-01	2023-11-30	200	190	100	Low	4	4.9	200	190	180	170		

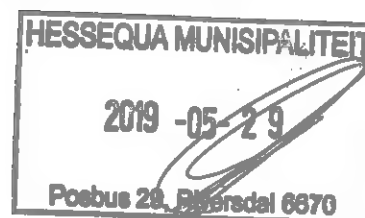
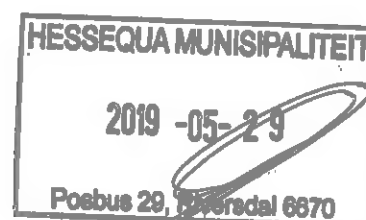




Table SA38 - Projects delayed from previous financial year (NT – Supporting Tables) - continue

[illegible]

[illegible]



Table 2.1.1: Summary of the 2019/20 Final Annual Budget and MTREF

Category	Item	Unit	Quantity	Unit Price	Total	MTREF	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42	2042/43	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49	2049/50	2050/51	2051/52	2052/53	2053/54	2054/55	2055/56	2056/57	2057/58	2058/59	2059/60	2060/61	2061/62	2062/63	2063/64	2064/65	2065/66	2066/67	2067/68	2068/69	2069/70	2070/71	2071/72	2072/73	2073/74	2074/75	2075/76	2076/77	2077/78	2078/79	2079/80	2080/81	2081/82	2082/83	2083/84	2084/85	2085/86	2086/87	2087/88	2088/89	2089/90	2090/91	2091/92	2092/93	2093/94	2094/95	2095/96	2096/97	2097/98	2098/99	2099/00	2100/01	2101/02	2102/03	2103/04	2104/05	2105/06	2106/07	2107/08	2108/09	2109/10	2110/11	2111/12	2112/13	2113/14	2114/15	2115/16	2116/17	2117/18	2118/19	2119/20	2120/21	2121/22	2122/23	2123/24	2124/25	2125/26	2126/27	2127/28	2128/29	2129/30	2130/31	2131/32	2132/33	2133/34	2134/35	2135/36	2136/37	2137/38	2138/39	2139/40	2140/41	2141/42	2142/43	2143/44	2144/45	2145/46	2146/47	2147/48	2148/49	2149/50	2150/51	2151/52	2152/53	2153/54	2154/55	2155/56	2156/57	2157/58	2158/59	2159/60	2160/61	2161/62	2162/63	2163/64	2164/65	2165/66	2166/67	2167/68	2168/69	2169/70	2170/71	2171/72	2172/73	2173/74	2174/75	2175/76	2176/77	2177/78	2178/79	2179/80	2180/81	2181/82	2182/83	2183/84	2184/85	2185/86	2186/87	2187/88	2188/89	2189/90	2190/91	2191/92	2192/93	2193/94	2194/95	2195/96	2196/97	2197/98	2198/99	2199/00	2200/01	2201/02	2202/03	2203/04	2204/05	2205/06	2206/07	2207/08	2208/09	2209/10	2210/11	2211/12	2212/13	2213/14	2214/15	2215/16	2216/17	2217/18	2218/19	2219/20	2220/21	2221/22	2222/23	2223/24	2224/25	2225/26	2226/27	2227/28	2228/29	2229/30	2230/31	2231/32	2232/33	2233/34	2234/35	2235/36	2236/37	2237/38	2238/39	2239/40	2240/41	2241/42	2242/43	2243/44	2244/45	2245/46	2246/47	2247/48	2248/49	2249/50	2250/51	2251/52	2252/53	2253/54	2254/55	2255/56	2256/57	2257/58	2258/59	2259/60	2260/61	2261/62	2262/63	2263/64	2264/65	2265/66	2266/67	2267/68	2268/69	2269/70	2270/71	2271/72	2272/73	2273/74	2274/75	2275/76	2276/77	2277/78	2278/79	2279/80	2280/81	2281/82	2282/83	2283/84	2284/85	2285/86	2286/87	2287/88	2288/89	2289/90	2290/91	2291/92	2292/93	2293/94	2294/95	2295/96	2296/97	2297/98	2298/99	2299/00	2300/01	2301/02	2302/03	2303/04	2304/05	2305/06	2306/07	2307/08	2308/09	2309/10	2310/11	2311/12	2312/13	2313/14	2314/15	2315/16	2316/17	2317/18	2318/19	2319/20	2320/21	2321/22	2322/23	2323/24	2324/25	2325/26	2326/27	2327/28	2328/29	2329/30	2330/31	2331/32	2332/33	2333/34	2334/35	2335/36	2336/37	2337/38	2338/39	2339/40	2340/41	2341/42	2342/43	2343/44	2344/45	2345/46	2346/47	2347/48	2348/49	2349/50	2350/51	2351/52	2352/53	2353/54	2354/55	2355/56	2356/57	2357/58	2358/59	2359/60	2360/61	2361/62	2362/63	2363/64	2364/65	2365/66	2366/67	2367/68	2368/69	2369/70	2370/71	2371/72	2372/73	2373/74	2374/75	2375/76	2376/77	2377/78	2378/79	2379/80	2380/81	2381/82	2382/83	2383/84	2384/85	2385/86	2386/87	2387/88	2388/89	2389/90	2390/91	2391/92	2392/93	2393/94	2394/95	2395/96	2396/97	2397/98	2398/99	2399/00	2400/01	2401/02	2402/03	2403/04	2404/05	2405/06	2406/07	2407/08	2408/09	2409/10	2410/11	2411/12	2412/13	2413/14	2414/15	2415/16	2416/17	2417/18	2418/19	2419/20	2420/21	2421/22	2422/23	2423/24	2424/25	2425/26	2426/27	2427/28	2428/29	2429/30	2430/31	2431/32	2432/33	2433/34	2434/35	2435/36	2436/37	2437/38	2438/39	2439/40	2440/41	2441/42	2442/43	2443/44	2444/45	2445/46	2446/47	2447/48	2448/49	2449/50	2450/51	2451/52	2452/53	2453/54	2454/55	2455/56	2456/57	2457/58	2458/59	2459/60	2460/61	2461/62	2462/63	2463/64	2464/65	2465/66	2466/67	2467/68	2468/69	2469/70	2470/71	2471/72	2472/73	2473/74	2474/75	2475/76	2476/77	2477/78	2478/79	2479/80	2480/81	2481/82	2482/83	2483/84	2484/85	2485/86	2486/87	2487/88	2488/89	2489/90	2490/91	2491/92	2492/93	2493/94	2494/95	2495/96	2496/97	2497/98	2498/99	2499/00	2500/01	2501/02	2502/03	2503/04	2504/05	2505/06	2506/07	2507/08	2508/09	2509/10	2510/11	2511/12	2512/13	2513/14	2514/15	2515/16	2516/17	2517/18	2518/19	2519/20	2520/21	2521/22	2522/23	2523/24	2524/25	2525/26	2526/27	2527/28	2528/29	2529/30	2530/31	2531/32	2532/33	2533/34	2534/35	2535/36	2536/37	2537/38	2538/39	2539/40	2540/41	2541/42	2542/43	2543/44	2544/45	2545/46	2546/47	2547/48	2548/49	2549/50	2550/51	2551/52	2552/53	2553/54	2554/55	2555/56	2556/57	2557/58	2558/59	2559/60	2560/61	2561/62	2562/63	2563/64	2564/65	2565/66	2566/67	2567/68	2568/69	2569/70	2570/71	2571/72	2572/73	2573/74	2574/75	2575/76	2576/77	2577/78	2578/79	2579/80	2580/81	2581/82	2582/83	2583/84	2584/85	2585/86	2586/87	2587/88	2588/89	2589/90	2590/91	2591/92	2592/93	2593/94	2594/95	2595/96	2596/97	2597/98	2598/99	2599/00	2600/01	2601/02	2602/03	2603/04	2604/05	2605/06	2606/07	2607/08	2608/09	2609/10	2610/11	2611/12	2612/13	2613/14	2614/15	2615/16	2616/17	2617/18	2618/19	2619/20	2620/21	2621/22	2622/23	2623/24	2624/25	2625/26	2626/27	2627/28	2628/29	2629/30	2630/31	2631/32	2632/33	2633/34	2634/35	2635/36	2636/37	2637/38	2638/39	2639/40	2640/41	2641/42	2642/43	2643/44	2644/45	2645/46	2646/47	2647/48	2648/49	2649/50	2650/51	2651/52	2652/53	2653/54	2654/55	2655/56	2656/57	2657/58	2658/59	2659/60	2660/61	2661/62	2662/63	2663/64	2664/65	2665/66	2666/67	2667/68	2668/69	2669/70	2670/71	2671/72	2672/73	2673/74	2674/75	2675/76	2676/77	2677/78	2678/79	2679/80	2680/81	2681/82	2682/83	2683/84	2684/85	2685/86	2686/87	2687/88	2688/89	2689/90	2690/91	2691/92	2692/93	2693/94	2694/95	2695/96	2696/97	2697/98	2698/99	2699/00	2700/01	2701/02	2702/03	2703/04	2704/05	2705/06	2706/07	2707/08	2708/09	2709/10	2710/11	2711/12	2712/13	2713/14	2714/15	2715/16	2716/17	2717/18	2718/19	2719/20	2720/21	2721/22	2722/23	2723/24	2724/25	2725/26	2726/27	2727/28	2728/29	2729/30	2730/31	2731/32	2732/33	2733/34	2734/35	2735/36	2736/37	2737/38	2738/39	2739/40	2740/41	2741/42	2742/43	2743/44	2744/45	2745/46	2746/47	2747/48	2748/49	2749/50	2750/51	2751/52	2752/53	2753/54	2754/55	2755/56	2756/57	2757/58	2758/59	2759/60	2760/61	2761/62	2762/63	2763/64	2764/65	2765/66	2766/67	2767/68	2768/69	2769/70	2770/71	2771/72	2772/73	2773/74	2774/75	2775/76	2776/77	2777/78	2778/79	2779/80	2780/81	2781/82	2782/83	2783/84	2784/85	2785/86	2786/87	2787/88	2788/89	2789/90	2790/91	2791/92	2792/93	2793/94	2794/95	2795/96	2796/97	2797/98	2798/99	2799/00	2800/01	2801/02	2802/03	2803/04	2804/05	2805/06	2806/07	2807/08	2808/09	2809/10	2810/11	2811/12	2812/13	2813/14	2814/15	2815/16	2816/17	2817/18	2818/19	2819/20	2820/21	2821/22	2822/23	2823/24	2824/25	2825/26	2826/27	2827/28	2828/29	2829/30	2830/31	2831/32	2832/33	2833/34	2834/35	2835/36	2836/37	2837/38	2838/39	2839/40	2840/41	2841/42	2842/43	2843/44	2844/45	2845/46	2846/47	2847/48	2848/49	2849/50	2850/51	2851/52	2852/53	2853/54	2854/55	2855/56	2856/57	2857/58	2858/59	2859/60	2860/61	2861/62	2862/63	2863/64	2864/65	2865/66	2866/67	2867/68	2868/69	2869/70	2870/71	2871/72	2872/73	2873/74	2874/75	2875/76	2876/77	2877/78	2878/79	2879/80	2880/81	2881/82	2882/83	2883/84	2884/85	2885/86	2886/87	2887/88	2888/89	2889/90	2890/91	2891/92	2892/93	2893/94	2894/95	2895/96	2896/97	2897/98	2898/99	2899/00	2900/01	2901/02	2902/03	2903/04	2904/05	2905/06	2906/07	2907/08	2908/09	2909/10	2910/11	2911/12	2912/13	2913/14	2914/15	2915/16	2916/17	2917/18	2918/19	2919/20	2920/21	2921/22	2922/23	2923/24	2924/25	2925/26	2926/27	2927/28	2928/29	2929/30	2930/31	2931/32	2932/33	2933/34	2934/35	2935/36	2936/37	2937/38	2938/39	2939/40	2940/41	2941/42	2942/43	2943/44	2944/45	2945/46	2946/47	2947/48	2948/49	2949/50	2950/51	2951/52	2952/53	2953/54	2954/55	2955/56	2956/57	2957/58	2958/59	2959/60	2960/61	2961/62	2962/63	2963/64	2964/65	2965/66	2966/67	2967/68	2968/69	2969/70	2970/71	2971/72	2972/73	2973/74	2974/75	2975/76	2976/77	2977/78	2978/79	2979/80	2980/81	2981/82	2982/83	2983/84	2984/85	2985/86	2986/87	2987/88	2988/89	2989/90	2990/91	2991/92	2992/93	2993/94	2994/95	2995/96	2996/97	2997/98	2998/99	2999/00	3000/01	3001/02	3002/03	3003/04	3004/05	3005/06	3006/07	3007/08	3008/09	3009/10	3010/11	3011/12	3012/13	3013/14	3014/15	3015/16	3016/17	3017/18	3018/19	3019/20	3020/21	3021/22	3022/23	3023/24	3024/25	3025/26	3026/27	3027/28	3028/29
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Financials - Income Statement														Financials - Balance Sheet			Financials - Cash Flow		
Period	Item	Revenue	Cost	Gross Profit	Exp.	Operating Profit	Interest	Div.	Net Income	Depreciation	Amortization	Goodwill	Intangible	Equity	Debt	Assets	Liabilities	Equity	
Q1 2023	Revenue	100	60	40	20	20	5	0	15	10	0	0	0	100	50	50	100	50	50
Q2 2023	Revenue	110	65	45	22	23	5	0	18	11	0	0	0	110	52	58	110	52	58
Q3 2023	Revenue	120	70	50	24	26	5	0	21	12	0	0	0	120	54	66	120	54	66
Q4 2023	Revenue	130	75	55	26	29	5	0	24	13	0	0	0	130	56	74	130	56	74
Q1 2024	Revenue	140	80	60	28	32	5	0	27	14	0	0	0	140	58	82	140	58	82
Q2 2024	Revenue	150	85	65	30	35	5	0	30	15	0	0	0	150	60	90	150	60	90
Q3 2024	Revenue	160	90	70	32	37	5	0	33	16	0	0	0	160	62	98	160	62	98
Q4 2024	Revenue	170	95	75	34	39	5	0	36	17	0	0	0	170	64	106	170	64	106
Q1 2025	Revenue	180	100	80	36	42	5	0	39	18	0	0	0	180	66	114	180	66	114
Q2 2025	Revenue	190	105	85	38	45	5	0	42	19	0	0	0	190	68	122	190	68	122
Q3 2025	Revenue	200	110	90	40	48	5	0	45	20	0	0	0	200	70	130	200	70	130
Q4 2025	Revenue	210	115	95	42	51	5	0	48	21	0	0	0	210	72	138	210	72	138
Q1 2026	Revenue	220	120	100	44	54	5	0	51	22	0	0	0	220	74	146	220	74	146
Q2 2026	Revenue	230	125	105	46	57	5	0	54	23	0	0	0	230	76	154	230	76	154
Q3 2026	Revenue	240	130	110	48	60	5	0	57	24	0	0	0	240	78	162	240	78	162
Q4 2026	Revenue	250	135	115	50	63	5	0	60	25	0	0	0	250	80	170	250	80	170
Q1 2027	Revenue	260	140	120	52	66	5	0	63	26	0	0	0	260	82	178	260	82	178
Q2 2027	Revenue	270	145	125	54	69	5	0	66	27	0	0	0	270	84	186	270	84	186
Q3 2027	Revenue	280	150	130	56	72	5	0	69	28	0	0	0	280	86	194	280	86	194
Q4 2027	Revenue	290	155	135	58	75	5	0	72	29	0	0	0	290	88	202	290	88	202
Q1 2028	Revenue	300	160	140	60	78	5	0	75	30	0	0	0	300	90	210	300	90	210
Q2 2028	Revenue	310	165	145	62	81	5	0	78	31	0	0	0	310	92	218	310	92	218
Q3 2028	Revenue	320	170	150	64	84	5	0	81	32	0								

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Table SA38—Projects delayed from previous fiscal year (NT – Supporting Tables) – continue

[illegible]

2.15 LEGISLATION COMPLIANCE STATUS

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the Municipal website.

2. Internship programme

The Municipality is participating in the Municipal Financial Management Internship programme and has employed four interns undergoing training in the Financial Services Department.

3. Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA.

4. Audit Committee

An Audit Committee has been established and is fully functional.

5. Service Delivery and Implementation Plan

The detail SDBIP document will be finalized after approval of the 2019/20 MTREF in May 2019, directly aligned and informed by the 2019/20 MTREF.

6. Annual Report

Annual report is compiled in terms of the MFMA and National Treasury requirements.

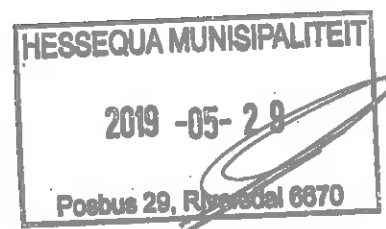


Table SA1: - Supporting detail to budgeted financial performance – (NT – supporting tables) - CONTINUE

WC042 Hessequa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
EXPENDITURE ITEMS:											
Contributions recognised - capital											
Transfers And Subsidies - Capital (Monetary Allocations) (National)		—	—	—	—	237	237	237	—	—	—
Total Contributions recognised - capital		—	—	—	—	237	237	237	—	—	—
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		24 836	25 584	30 019	35 884	35 884	35 884	35 884	34 718	38 008	38 084
Lease amortisation		—	—	28	—	76	76	76	28	28	28
Capital asset impairment		—	—	—	—	—	—	—	—	—	—
Depreciation resulting from revaluation of PPE	10	—	—	—	—	—	—	—	—	—	—
Total Depreciation & asset impairment	1	24 836	25 584	30 044	35 880	35 960	35 960	35 960	34 746	38 036	38 119
Bulk purchases											
Electricity Bulk Purchases		80 485	87 870	89 170	93 876	93 876	93 876	93 876	108 548	125 514	142 588
Water Bulk Purchases		5 114	—	182	8 174	322	322	322	348	378	415
Total bulk purchases	1	85 599	87 870	89 352	102 049	94 197	94 197	94 197	108 897	125 892	143 003
Transfers and grants											
Cash transfers and grants		—	885	923	636	1 107	1 107	1 107	1 187	1 428	1 288
Non-cash transfers and grants		—	—	132	48	48	48	48	51	54	57
Total transfers and grants	1	—	885	1 055	687	1 155	1 155	1 155	1 237	1 482	1 345
Contracted services											
Contractors		4 884	38 735	32 193	—	13 577	13 577	13 577	15 842	30 212	38 639
Outsourced Services		—	—	—	—	3 323	3 323	3 323	4 780	4 816	4 989
Consultants & Professionals		—	—	—	15 980	18 972	18 972	18 972	11 072	12 908	11 865
sub-total	1	4 884	38 735	32 193	26 960	35 872	35 872	35 872	31 694	47 936	55 493
Allocations to organs of state											
Electricity		—	—	—	—	—	—	—	—	—	—
Water		—	—	—	—	—	—	—	—	—	—
Sanitation		—	—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—	—
Total contracted services		4 884	38 735	32 193	26 960	35 872	35 872	35 872	31 694	47 936	55 493
Other Expenditure By Type											
Collection costs		—	—	—	—	—	—	—	—	—	—
Contributions to 'other' provisions		—	—	—	—	—	—	—	—	—	—
Consultant fees		—	—	—	—	—	—	—	—	—	—
Audit fees		—	—	—	—	—	—	—	—	—	—
General expenses	3	48 883	18 124	22 055	30 873	30 400	30 400	30 400	32 488	34 058	35 877
Total 'Other' Expenditure	1	48 883	18 124	22 055	30 873	30 400	30 400	30 400	32 488	34 058	35 877
Repairs and Maintenance by Expenditure Item	8										
Employee related costs		—	46 362	51 250	58 087	58 202	58 202	58 202	65 382	70 819	75 853
Other materials		7 848	7 828	7 885	5 718	5 709	5 709	5 709	6 534	6 983	7 418
Contracted Services		7 780	8 389	8 863	10 931	11 689	11 689	11 689	10 379	12 626	12 255
Other Expenditure		250	1 154	1 328	1 387	1 125	1 125	1 125	1 312	1 402	1 497
Total Repairs and Maintenance Expenditure	9	15 886	63 633	69 154	76 704	76 735	76 735	76 735	83 576	91 709	97 022

Table SA2: – Matrix financial performance budget (revenue source/expenditure type and department) – (NT – supporting tables)

WC042 Hessequa – Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 01 - Office Of The Mm	Vote 02 - Corporate Services	Vote 03 - Financial Services	Vote 04 - Community Services	Vote 05 - Technical Services	Vote 06 - Spatial Planning & Environment	Vote 07 - Health	Vote 08 - Planning And Development	Vote 09 - Environment of Protection	Vote 10 - Electricity	Vote 11 - Water Management	Vote 12 - Waste Water Management	Vote 13 - Waste Management	Vote 14 - Road Transport	Vote 15 - Other	Total
Revenue	1																
Revenue By Source																	
Property rates		-	-	84 057	-	-	-	-	-	-	-	-	-	-	-	-	84 057
Service charges - electricity revenue		-	-	-	-	167 911	-	-	-	-	-	-	-	-	-	-	167 911
Service charges - water revenue		-	-	-	-	49 967	-	-	-	-	-	-	-	-	-	-	49 967
Service charges - sanitation revenue		-	-	-	-	25 332	-	-	-	-	-	-	-	-	-	-	25 332
Service charges - refuse revenue		-	-	-	-	22 865	-	-	-	-	-	-	-	-	-	-	22 865
Rental of facilities and equipment		-	862	-	9	2 269	-	-	-	-	-	-	-	-	-	-	2 600
Interest earned - external investments		-	3	8 040	-	-	45	-	-	-	-	-	-	-	-	-	8 088
Interest earned - outstanding debtors		-	-	895	-	1 033	-	-	-	-	-	-	-	-	-	-	1 898
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	45 013	-	-	-	-	-	-	-	-	-	-	-	45 013
Leases and permits		-	-	-	1 282	-	261	-	-	-	-	-	-	-	-	-	1 543
Agency services		-	-	-	2 393	-	-	-	-	-	-	-	-	-	-	-	2 393
Other revenue		1 310	12 678	423	478	480	2 602	-	-	-	-	-	-	-	-	-	18 414
Transfers and subsidies		44 123	9 790	1 930	1 032	1 306	358	-	-	-	-	-	-	-	-	-	60 117
Gains on disposal of PPE		-	-	-	-	-	2 695	-	-	-	-	-	-	-	-	-	2 695
Total Revenue (including capital transfers and grants)		46 433	23 868	106 318	66 614	280 196	2 561	-	-	-	-	-	-	-	-	-	481 770
Expenditure																	
Expenditure By Type																	
Employee related costs		16 867	29 488	25 396	29 129	84 096	16 427	-	-	-	-	-	-	-	-	-	196 294
Renewal of assets		8 530	-	1 604	-	-	4 703	-	-	-	-	-	-	-	-	-	8 530
Debt repayment		-	-	-	35 000	-	-	-	-	-	-	-	-	-	-	-	35 000
Depreciation & asset impairment		48	2 688	179	910	20 681	78	-	-	-	-	-	-	-	-	-	24 755
Finance charges		-	281	-	201	21 059	-	-	-	-	-	-	-	-	-	-	21 690
Gift purchases		-	-	-	-	106 867	-	-	-	-	-	-	-	-	-	-	106 867
Other materials		78	2 140	383	1 888	24 633	480	-	-	-	-	-	-	-	-	-	29 633
Contracted services		4 224	4 247	3 931	7 736	11 766	1 165	-	-	-	-	-	-	-	-	-	36 864
Transfers and subsidies		620	40	-	-	-	867	-	-	-	-	-	-	-	-	-	1 547
Other expenditure		4 695	7 499	4 923	2 694	11 824	1 393	-	-	-	-	-	-	-	-	-	32 488
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		34 686	43 327	36 916	66 672	287 883	14 158	-	-	-	-	-	-	-	-	-	487 501
Surplus/(Deficit)																	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		10 788	(22 435)	79 459	(17 996)	(47 682)	(8 738)	-	-	-	-	-	-	-	-	-	(16 612)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Homebodies, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Education Institutions)		-	121	326	638	14 993	-	-	-	-	-	-	-	-	-	-	16 243
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		16 788	(22 311)	79 639	(17 136)	(32 729)	(8 738)	-	-	-	-	-	-	-	-	-	651

Table SA9: – Social, economic and demographic statistics and assumptions – (NT – supporting tables)

WCME Hessequa – Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Unit	Basis of calculation	2007 Census	2007 Survey	2011 Census	2015/16	2016/17	2017/18	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population			44		88	86	88					
Females aged 6 - 14			8		4	4	4					
Males aged 6 - 14					4		4					
Females aged 15 - 34			14		6	7	8					
Males aged 15 - 34					7		8					
Unemployment			0		0							
Monthly household income (no. of households)	1, 12											
No income			855		1 346	1 346	1 422					
R1 - R1 000			456		276	276	330					
R1 001 - R3 200			1 844		870	870	1 002					
R3 201 - R6 400			2 887		2 241	2 241	2 076					
R6 401 - R12 800			3 002		3 579	3 579	3 773					
R12 801 - R25 600			1 880		3 670	3 670	4 334					
R25 601 - R51 200			1 064		2 274	2 274	2 664					
R51 201 - R102 400			379		1 423	1 423	2 121					
R102 401 - R204 800			74		887	887	1 044					
R204 801 - R409 600			57		132	132	178					
R409 601 - R819 200			42		87	88	49					
> R819 200			9		41	68	65					
Poverty profiles (no. of households)	18											
< R2 000 per household per month			17 141		7 813	7881.31	7571.61	7483.68				
Insert description	2											
Household demographics 2008												
Number of people in municipal area			All 115		52 488	55	64	55				
Number of poor people in municipal area					26 782							
Number of households in municipal area					16 873							
Number of poor households in municipal area					7 813							
Distribution of poor households (11 per month)					43500							
Housing statistics	3											
Formal			15 000									
Informal			994									
Total number of households			16 873									
Dwellings provided by municipality	4											
Dwellings provided by provincial												
Dwellings provided by private sector	5											
Total new housing dwellings												
Economic	6											
Inflation/deflation outlook (CPI)												
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
Collection rates	7											
Property tax/service charges												
Payment of landfill & refuse												
Interest - external investments												
Interest - debtors												
Revenue from agency services												

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Table SA21: – Transfers and Grants made by the Municipality

WC042 Hessequa - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2016/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Revised Year +1 2020/21	Budget Year +2 2021/22
Cash Transfers to other municipalities	1										
<i>Insert description</i>											
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms	2										
<i>Insert description</i>											
Total Cash Transfers To Entities/Other		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State	3										
<i>Insert description</i>											
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
<i>Non-Profit Organisations</i>			885	20	10	10	10	10	10	10	10
<i>Grants To Non-Profit Inst</i>			13								
<i>Grants To Non-Profit Inst Rv Ageceology</i>				13	13	13	13	13			
<i>Grants To Non-Profit Inst Beaufort River</i>			320	310	330	330	330	330			
<i>Grants To Non-Profit Inst Enslens (Idm)</i>				17	0	0	0	0			
<i>Grants To Non-Profit Inst River Control</i>				6	1	1	1	1			
<i>Grants To Non-Profit Inst,Grants Nature</i>			1	5	5	5	5	5			
<i>Grants To Non-Profit Inst,Other(Dapp/Mayor)</i>			48	50	50	50	50	50	50	50	50
<i>Non-Profit Beaufort River</i>			532	528	598	598	598	598	320	320	320
<i>Non-Profit Enslens Idm</i>									7	7	7
<i>Non-Profit Grants Nature</i>									36	36	36
<i>Non-Profit River Control</i>									6	6	6
<i>Non-Profit Unspecified</i>									770	997	833
Total Cash Transfers To Organisations		-	885	923	939	1 197	1 197	1 197	1 197	1 438	1 288
Cash Transfers to Groups of Individuals											
<i>RH Old Dams (Business New Employees)</i>		-	-	-	-	-	-	-	-	-	-
<i>To_O_M_Hh_Cash_Bursaries (Non-Employee)</i>		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	5	-	885	923	939	1 197	1 197	1 197	1 197	1 438	1 288
Non-Cash Transfers to other municipalities	1										
<i>Insert description</i>											
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms	2										
<i>Insert description</i>											
Total Non-Cash Transfers To Entities/Other		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State	3										
<i>Insert description</i>											
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Non-Cash Grants to Organisations	4										
<i>Insert description</i>											
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Grants to Individuals	5										
<i>RH Old Dams (Business New Employees)</i>		-	-	132	48	48	48	48	-	-	-
<i>To_O_M_Hh_Soo Avere_Grant In Aid Dis Ro</i>		-	-	-	-	-	-	-	51	54	57
Total Non-Cash Grants To Groups Of Individuals:		-	-	132	48	48	48	48	51	54	57
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	132	48	48	48	48	51	54	57
TOTAL TRANSFERS AND GRANTS	6	-	885	1 055	987	1 195	1 195	1 195	1 247	1 492	1 345

Table SA32: – List of external mechanisms – (NT – supporting tables)**WC042 Hessequa - Supporting Table SA32 List of external mechanisms**

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
Working On Fire	Yrs	3	Fire Brigade Services	08/2018 TO 31/03/20	2 610
Henque Waste	Yrs	3	Refuse Recycling	09/2017 TO 30/06/20	922
SYNTELL (PTY) LTD	Yrs	4	THE PROVISION OF TRAFFIC LAW ENFORCEMENT	07/2018 TO 30/06/20	2 060
JIRAH CONSTRUCTION CC	Yrs	3	Cleaning of Stormwater pipes	1/09/2016 - 30/06/20	303
KONICA MINOLTA SOUTH AFRICA	Yrs	3	SUPPLY AND INSTALLATION OF PHOTO COPIERS	New expiry date	601
VOX Telecommunications (PTY) Ltd	Yrs	3	Telecommunication system	1/07/2016 - 30/06/20	1 442
IGNITE ADVISORY SERVICES	Yrs	3	PROVISION OF AN ELECTRONIC INFORMATION	12/2017 TO 30/11/20	330
ITRON METERING SOLUTIONS SOUTH AFRICA	Yrs	3	THE IMPLEMENTATION OF PREPAID ELECTRICITY	1/07/2017 - 30/06/20	571
ROUTEMASTER	Yrs		SUPPLY AND DELIVERY OF HARDWARE AND SOFTWARE FOR CONV		149
DDP VALUERS	Yrs	7	THE COMPILATION OF GENERAL VALUATION R	new completion date	2 000
BUSINESS CONNEXION (VENUS)	Yrs		FINANCIAL SOFTWARE MAINTENANCE		875
Mubesko Africa (Pty) Ltd / Moore Stephens MO Inc	Yrs	3	PROVISIONING OF ACCOUNTING SERVICES FOR	10/2016 TO 30/06/20	550
Stephaan & Moore	Yrs	3	COMPILATION OF ANNUAL FINANCIAL STATEMENT	10/2016 TO 30/06/20	500
CAB HOLDINGS (PTY) LTD	Yrs	3	CAB HOLDINGS (PTY) LTD	07/2018 TO 30/06/20	828
PAYDAY SOFTWARE SYSTEMS (PTY) LTD	Yrs	3	RENDERING OF PERSONNEL PAYDAY SOFTWARE	07/2016 TO 30/06/20	213
INCA	Yrs	1	Financial Plan	30 June 2020	750

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2.17 SERVICE STANDARDS

KLIËNTEDIENS BELEID EN DIENSSTANDAARDE

File number / Verwysingsnommer: 6/4/1

Meeting date / Vergadering datum: 27 Junie 2018

Report by / Verslag deur: Openbare Betrekkinge Beampte – Me S Geldenhuys

STRATEGIC PURPOSE / STRATEGIESE REDE

Doeltreffende, koste effektiewe en beste kwaliteit dienslewering deur goeie regeerkunde.

PURPOSE OF REPORT / DOEL VAN VERSLAG

Dat die Raad die aangepaste Kliëntediens beleid en diensstandaarde goedkeur.

BACKGROUND AND DISCUSSION / AGTERGROND EN BESPREKING

'n Kliëntediens Beleid Werkswinkel is op 06 Maart 2018 aangebied, waar Raadslede en die onderskeie direkteure, hul insette kon bied rakende die konsep beleid, prosedures, riglyne, asook nuwe insette en wysigings aan die huidige diensstandaarde.

Tydens die werkswinkel is daar nuwe insette en verskeie aanpassings aangebring aan die huidige diensstandaarde.

Die beleid en diensstandaarde het by die Korporatiewe Bestuur Portefeulje Komitee vergadering van 18 April 2018 gediens, asook by die Uitvoerende Burgemeesterskomitee op 30 Mei 2018, waar die volgende aanbevelings gemaak is:

- “1. Dat kennis geneem word van die hersiene Kliëntediens Beleid en aangepaste diensstandaarde.
2. Dat die Uitvoerende Burgemeesterskomitee die hersiene beleid en aangepaste diensstandaarde ondersteun en aanbeveel.
3. Dat die item verwys word na die volgende Raadsvergadering vir goedkeuring.
3. Dat daar maandeliks 'n moniteringsverslag van die afhandeling van klagtes en take in terme van diensstandaarde, aan die Uitvoerende Burgemeesterskomitee voorgelê word.”

COMMENTS: MUNICIPAL MANAGER / KOMMENTAAR: MUNISIPALE BESTUURDER

Die aanbevelings word ondersteun.

COMMENTS: DIRECTOR CORPORATE MANAGEMENT / KOMMENTAAR: DIREKTEUR KORPORATIEWE BESTUUR

Die aanbevelings word ondersteun.

COMMENTS: DIRECTOR FINANCIAL SERVICES / KOMMENTAAR: DIREKTEUR FINANSIËLE DIENSTE

Neem kennis.

COMMENTS: DIRECTOR DEVELOPMENT PLANNING / KOMMENTAAR: DIREKTEUR ONTWIKKELINGSBEPLANNING

COMMENTS: DIRECTOR TECHNICAL SERVICES / KOMMENTAAR: DIREKTEUR TEGNIESE DIENSTE
Die aanbevelings word gesteun.

COMMENTS: DIRECTOR COMMUNITY SERVICES / KOMMENTAAR: DIREKTEUR GEMEENSKAPSDIENSTE

COMMENTS: MANAGER LEGAL SERVICES / KOMMENTAAR: BESTUURDER REGSDIENSTE
Daar word kennis geneem van die inhoud en die aanbevelings word ondersteun.

COMMENTS: OTHER / KOMMENTAAR: ANDER

RECOMMENDATION / AANBEVELING

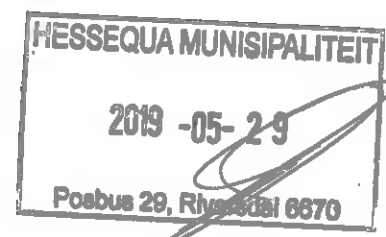
Dat die Raad die aangepaste Kliëntediens Beleid en diensstandaarde goedkeur.

AGENDA ITEM APPROVED BY / AGENDA ITEM GOEDGEKEUR DEUR:

Direkteur: Korporatiewe Bestuur – Me M Griesel
DIRECTOR CORPORATE SERVICES / DIREKTEUR KORPORATIEWE DIENSTE

ATTACHMENTS / STAWENDE DOKUMENTE

1. Konsep Kliëntediens Beleid
2. Diensstandaarde 2018
3. Teenwoordigheidsregister – Kliëntediens werkswinkel



Name	Service Description	Service level days	Department
CORPORATE SERVICES: Council Resolutions Distribution to Managers and personnel	CORPORATE SERVICES: Distribution of Council Resolutions from the Administration Department to applicable Directors, Managers and personnel for Implementation or Information.	4	Corporate Services
CORPORATE SERVICES: Correspondence Distribution	CORPORATE SERVICES: The Distribution of Incoming correspondence to various departments for action.	3	Corporate Services
CORPORATE SERVICES: Implementation of council resolution	CORPORATE SERVICES: Implementation and completion of council resolution to applicable Directors, Managers and personnel.	30	Corporate Services
CORPORATE SERVICES: Appointment of Personnel	CORPORATE SERVICES: Appointment of Personnel	90	Corporate Services
CORPORATE SERVICES: Contractual Legal Advice	CORPORATE SERVICES: Contractual Legal Advice	14	Corporate Services
CORPORATE SERVICES: Website Updates	CORPORATE SERVICES: Website Updates	2	Corporate Services
CORPORATE SERVICES: Repair of pre-paid electricity sale points	CORPORATE SERVICES: Repair of IT network connection at the pre-paid electricity sale points	2	Corporate Services
CORPORATE SERVICES: Telephone complaints	CORPORATE SERVICES: Attention and action to municipal telephone complaints and faults.	1	Corporate Services
COMMUNITY SERVICES: Implementation of council resolution	COMMUNITY SERVICES: Implementation and completion of council resolution to applicable Directors, Managers and personnel.	30	Community Services
COMMUNITY SERVICES: Replace Traffic Signs	COMMUNITY SERVICES: Replace Traffic Signs	21	Community Services
COMMUNITY SERVICES: Licensing and Road Worthy Certificates	COMMUNITY SERVICES: Licensing and Road Worthy Certificates	56	Community Services
COMMUNITY SERVICES: Learners and Driver's License	COMMUNITY SERVICES: Availability of learners and driver's License appointment	56	Community Services
COMMUNITY SERVICES: Traffic Control Complaint	COMMUNITY SERVICES: Traffic Control Complaint	10	Community Services
COMMUNITY SERVICES: By-laws Contravention	COMMUNITY SERVICES: By-laws Contravention	14	Community Services
COMMUNITY SERVICES: Complaints wrt. Vagrants	COMMUNITY SERVICES: Complaints wrt. Vagrants	14	Community Services
COMMUNITY SERVICES: Illegal Traders	COMMUNITY SERVICES: Illegal Traders	2	Community Services
COMMUNITY SERVICES: Burning of Transfer Station	COMMUNITY SERVICES: Burning of Transfer Station	3	Community Services
COMMUNITY SERVICES: Outdoor Advertising Enquiries	COMMUNITY SERVICES: Outdoor Advertising Enquiries	5	Community Services
COMMUNITY SERVICES: Sound Disturbance	LAW ENFORCEMENT: Sound Disturbance	3	Community Services

TECHNICAL SERVICES: Implementation of council resolution	TECHNICAL SERVICES: Implementation and completion of council resolution to applicable Directors, Managers and personnel.	30	Technical Services
TECHNICAL SERVICES: Repair Water Pipe Bursts	TECHNICAL SERVICES: Repair Water Pipe Bursts	1	Technical Services
TECHNICAL SERVICES: Clear Blocked Sewerage Drains	TECHNICAL SERVICES: Clear Blocked Sewerage Drains	3	Technical Services
TECHNICAL SERVICES: Sewerage Connections	TECHNICAL SERVICES: Sewerage Connections	21	Technical Services
TECHNICAL SERVICES: Repair Potholes	TECHNICAL SERVICES: Repair Potholes	14	Technical Services
TECHNICAL SERVICES: Repair Water Leakages	TECHNICAL SERVICES: Repair Water Leakages	2	Technical Services
TECHNICAL SERVICES: Repair/Replace Faulty Water Meters	TECHNICAL SERVICES: Repair/Replace Faulty Meters	5	Technical Services
TECHNICAL SERVICES: No Water Available	TECHNICAL SERVICES: No Water Available	1	Technical Services
TECHNICAL SERVICES: Low Water Pressure	TECHNICAL SERVICES: Low Water Pressure	5	Technical Services
TECHNICAL SERVICES: Water Quality Complaints	TECHNICAL SERVICES: Water Quality Complaints	5	Technical Services
TECHNICAL SERVICES: Water Connections	TECHNICAL SERVICES: Water Connections	21	Technical Services
TECHNICAL SERVICES - SEWER: Smells	TECHNICAL SERVICES - SEWER: Smells	5	Technical Services
TECHNICAL SERVICES - SEWER: Leakages	TECHNICAL SERVICES - SEWER: Leakages	1	Technical Services
TECHNICAL SERVICES: Rubbish removal	TECHNICAL SERVICES: Rubbish removal	2	Technical Services
TECHNICAL SERVICES: General Dumping Complaints	TECHNICAL SERVICES: General Dumping Complaints	10	Technical Services
TECHNICAL SERVICES - SEWER: Broken / Missing Manhole Cover	TECHNICAL SERVICES - SEWER: Broken / Missing Manhole Cover	3	Technical Services
TECHNICAL SERVICES - SEWER: Removal Services	TECHNICAL SERVICES - SEWER: Removal Services	3	Technical Services
TECHNICAL SERVICES - ROADS & STORMWATER: Pavement Related	TECHNICAL SERVICES - ROADS & STORMWATER: Pavement Related	14	Technical Services
TECHNICAL SERVICES - ROADS & STORMWATER: Blocked Storm Water Drains	TECHNICAL SERVICES- ROADS & STORMWATER: Blocked Storm Water Drains	14	Technical Services
TECHNICAL SERVICES - ROADS & STORMWATER: Uneven Road Surfaces / Gravel Roads	TECHNICAL SERVICES - ROADS & STORMWATER: Uneven Road Surfaces / Gravel Roads	14	Technical Services
TECHNICAL SERVICES Damaged Road Repairs	TECHNICAL SERVICES Damaged Road Repairs	30	Technical Services
TECHNICAL SERVICES: Storm Water Pipe Repairs	TECHNICAL SERVICES: Storm Water Pipe Repairs (Breakage and Blockage)	30	Technical Services

TECHNICAL SERVICES: Repair of Side walks	TECHNICAL SERVICES: Make of Side walks	14	Technical Services
TECHNICAL SERVICES: Make of Driveways	TECHNICAL SERVICES: Make of Driveways	30	Technical Services
TECHNICAL SERVICES: Cutting of Trees and Grass	TECHNICAL SERVICES: Cutting of Trees and Grass	7	Technical Services
TECHNICAL SERVICES: Clearing of Open Overgrown Areas	TECHNICAL SERVICES: Clearing of Open Overgrown Areas	30	Technical Services
TECHNICAL SERVICES: Grave Preparation for Burials	TECHNICAL SERVICES: Grave Preparation for Burials	3	Technical Services
TECHNICAL SERVICES: General Repairs (Small defects)	TECHNICAL SERVICES: General Repairs (Small defects)	3	Technical Services
TECHNICAL SERVICES: Problem at Sport Facilities	TECHNICAL SERVICES: Problem at Sport Facilities	3	Technical Services
TECHNICAL SERVICES: Power Interruptions	TECHNICAL SERVICES: Power Interruptions	1	Technical Services
TECHNICAL SERVICES: Meter Queries / Complaints	TECHNICAL SERVICES: Meter Queries / Complaints	2	Technical Services
TECHNICAL SERVICES - STREET LIGHTS: Entire Street Is Off	TECHNICAL SERVICES - STREET LIGHTS: Entire Street Is Off	2	Technical Services
TECHNICAL SERVICES - STREET LIGHTS: Single Street Light Is Off	TECHNICAL SERVICES - STREET LIGHTS: Single Street Light Is Off	5,21	Technical Services
TECHNICAL SERVICES: Electricity: Reconnections After Payment is Made	TECHNICAL SERVICES: Reconnections After Payment is Made	1	Technical Services
TECHNICAL SERVICES: Electricity: New Connections Where Existing Infrastructure can be Used and After Payment is Made	TECHNICAL SERVICES: New Connections Where Existing Infrastructure can be Used and After Payment is Made	5	Technical Services
TECHNICAL SERVICES: Faulty Powerbox (Repair of Replacement)	TECHNICAL SERVICES: Faulty Powerbox (Repair of Replacement)	1	Technical Services
TECHNICAL SERVICES: Geyser Control	TECHNICAL SERVICES: Geyser Control	2	Technical Services
FINANCIAL SERVICES: Implementation of council resolution	FINANCIAL SERVICES: Implementation and completion of council resolution to applicable Directors, Managers and personnel.	30	Financial Services
FINANCIAL SERVICES: Electricity Blocked	FINANCIAL SERVICES: Electricity Blocked	4	Financial Services
FINANCIAL SERVICES: Water Blocked (Placed on Drip)	FINANCIAL SERVICES: Water Blocked (Placed on Drip)	4	Financial Services
FINANCIAL SERVICES: Prepaid Vendor Off	FINANCIAL SERVICES: Prepaid Vendor Off	4	Financial Services
FINANCIAL SERVICES: Account Enquiries	FINANCIAL SERVICES: Account Enquiries	10	Financial Services
FINANCIAL SERVICES: Financial enquiries	FINANCIAL SERVICES: Financial enquiries pertaining to all Departments within the municipality	20	Financial Services

FINANCIAL SERVICES Social Assistance Applications	FINANCIAL SERVICES: Social Assistance Applications	60	Financial Services
TOWN PLANNING: Implementation of council resolution	TOWN PLANNING: Implementation and completion of council resolution to applicable Directors, Managers and personnel.	30	Town Planning
BUILDING CONTROL: Building Inspection Confirmation	BUILDING CONTROL: Building Inspection	3	Development Planning
BUILDING CONTROL: Builders Deposit Refund Application processed	BUILDING CONTROL: Builders Deposit	3	Development Planning
BUILDING CONTROL: On- site Queries	BUILDING CONTROL: On-site Queries	5	Development Planning
BUILDING CONTROL: Building Plan Application Progress	BUILDING CONTROL: Building Application Progress	5	Development Planning
TOWN PLANNING: Complaint: General	TOWN PLANNING: Complaint: General	5	Development Planning
BUILDING CONTROL: Building Plan Approval	BUILDING CONTROL: Building Plan Approval	30	Development Planning
TOWN PLANNING Zoning Certificate	TOWN PLANNING Zoning Certificate	10	Development Planning
TOWN PLANNING: Land Use/Scheme Regulation Queries	TOWN PLANNING: Land Use/Scheme Regulation Queries	5	Development Planning
TOWN PLANNING Land Use Applications – Delegated Official	TOWN PLANNING Land Use Applications	60	Development Planning
TOWN PLANNING Land Use Applications – Tribunal	TOWN PLANNING Land Use Applications	120	Development Planning
ENVIRONMENTAL: Air Pollution	TOWN PLANNING: Air Pollution	3	Development Planning



2.18 MUNICIPAL MANAGER'S QUALITY CERTIFICATE

HESSEQUA
Munisipaliteit / Municipality / LA-Munisipala



Stig alle korrespondensie aan die Munisipale Bestuurder
Address all correspondence to the Municipal Manager

Tel: (028) 713 8000
Faks / Fax: 086 4015 118
Posbus / P.O. Box 29, RIVERSDAL(E), 6670
E-pos / E-mail: info@hessequa.gov.za
www.hessequa.gov.za
Van den Bergstraat
RIVERSDAL(E)

Verw. / Ref:

Navrae/Enquiries:

QUALITY CERTIFICATE

I, J Jacobs, the Municipal Manager of Hessequa Municipality, hereby certify that the 2019/2020 budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act (Act no. 56 of 2003), and regulations promulgated under the Act, and that the budget and supporting documents are consistent with the Integrated Development plan of the Municipality.

J Jacobs
Municipal Manager
Hessequa Municipality – WC042

Signature:

Date: 29 May 2019

Councillor Mr G Riddles
Executive Mayor
Hessequa Municipality – WC042

Signature:

Date: 29 May 2019



STREEKAMPTREK / REGIONAL OFFICES

ALBERTINIA
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STILBAAI
Tel: (028) 713 7851

SLANGRIVER
Tel: (028) 713 7892

JOHANNESFONTEIN
Tel: (028) 713 7850

HEIDELBERG
Tel: (028) 713 8019

GOURITSMOND
Tel: (028) 713 7855

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Tel: (028) 713 7868